BNP Paribas Arbitrage Issuance B.V.
Amsterdam
die Emittentin

Prospekt vom 1. Februar 2005
betreffend die Emission, das öffentliche Angebot
sowie die Zulassung zum Amtlichen Handel
an der Wiener Börse
der

BONUS ZERTIFIKATE 04/05 – 04/11

bezogen auf den Dow Jones EURO STOXX 50^{SM} Kursindex

Endfälligkeit: 4. April 2011
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unwiderruflich und unbedingt garantiert durch die

BNP Paribas S.A.,Paris

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Der Prospekt stellt kein Angebot dar und darf nicht zum Zwecke eines Angebotes oder einer Aufforderung an Dritte, ein Angebot zu machen, genutzt werden, soweit ein derartiges Angebot oder eine derartige Aufforderung durch einschlägige Gesetze verboten oder im Hinblick auf den jeweiligen Adressaten des Angebotes oder der Aufforderung rechtlich unzulässig ist. Eine besondere Erlaubnis zum Angebot der Zertifikate oder zum Verteilen des Prospektes in einer Rechtsordnung, in der eine Erlaubnis erforderlich ist, wurde nicht eingeholt.

Die Emittentin bzw. mit ihr verbundene Unternehmen sind jederzeit während der Laufzeit der Zertifikate berechtigt, im freien Markt oder durch nicht-öffentliche Geschäfte Zertifikate (wie in den Zertifikatsbedingungen definiert) zu kaufen oder zu verkaufen. Es besteht keine Verpflichtung, die Zertifikatsinhaber über einen solchen Kauf bzw. Verkauf zu unterrichten. Zertifikatsinhaber müssen sich ihr eigenes Bild von der Entwicklung der Zertifikate und der Kurse der den Erträgen der Zertifikate zugrunde liegenden Referenzwerte und anderen Ereignissen, die auf die Entwicklung dieser Kurse einen Einfluss haben können, machen.

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Angebots- und Verkaufsbeschränkungen

Vereinigte Staaten von Amerika
Die beschriebenen Zertifikate wurden und werden nicht gemäß dem *U.S. Securities Act von 1933* registriert, und der Handel in den Zertifikaten wurde und wird nicht von der U.S.-Aufsichtsbehörde für den Warenterminhandel (*Commodity Futures Trading Commission*) unter dem U.S. Commodity Exchange Act genehmigt. Die Zertifikate dürfen deshalb in den Vereinigten Staaten von Amerika oder an, mit oder für Rechnung von U.S.-Personen zu keiner Zeit mittelbar oder unmittelbar angeboten, verkauft, geliefert oder gehandelt werden. U.S.-Personen dürfen auch zu keiner Zeit unmittelbar oder mittelbar eine Position in den Zertifikaten halten.

Vereinigtes Königreich
Sämtliche anwendbaren Vorschriften des Financial Services and Markets Akt 2000 (der "FSMA") sind zu beachten, wenn irgendwelche Handlungen in Bezug auf die Zertifikate in oder aus dem Vereinigten Königreich heraus vorgenommen werden, oder das Vereinigte Königreich in irgendeiner anderen Weise betroffen ist. Eine Aufforderung oder ein Anreiz zu einer Anlagetätigkeit (im Sinne von § 21 des FSMA) darf im Zusammenhang mit der Begebung oder dem Verkauf von Zertifikaten nur dann weitergegeben werden bzw. die Weitergabe darf nur dann veranlasst werden, wenn § 21(1) des FSMA nicht auf die Emittenten anwendbar ist oder im Falle der Garantin, wenn diese keine authorisierte Person ist, anwendbar wäre.
Zertifikate, die unter Regulation 3(2)(c) der Public Offers of Securities Regulations 1995 in der jeweils gültigen Fassung (die "POS Regulations") fallen, dürfen Personen im Vereinigten Königreich weder angeboten noch verkauft werden, mit Ausnahme von Personen, deren gewöhnliche Tätigkeit es mit sich bringt, dass sie Anlagen für geschäftliche Zwecke erwerben, halten, verwalten oder über sie verfügen (als Geschäftsherr oder als Vertreter) oder mit Ausnahme von Umständen, die nicht zu einem öffentlichen Angebot im Vereinigten Königreich im Sinne der Public Offers of Securities Regulation 1995 geführt haben oder führen werden.

Niederlande
Die Zertifikate (einschließlich von Rechten an einem Zertifikat) dürfen weder direkt noch indirekt angeboten oder verkauft werden

(1) anderen als Personen oder Gesellschaften, die außerhalb der Niederlande gegründet wurden oder außerhalb der Niederlande ansässig oder beheimatet sind, in Übereinstimmung mit den jeweils anwendbaren Regelungen in den Jurisdiktionen, in denen die Zertifikate angeboten werden (in diesem Falle muss die Emittentin eine entsprechende Bestätigung bei der niederländischen Aufsichtsbehörde ***Autoriteit Financiële Markten*** einreichen); oder
(2) sofern nicht eine andere Ausnahme zu oder Befreiung von dem in Artikel 3(1) des niederlandischen *Wet toezicht effectenverkeer 1995* (Securities Transactions Supervision Act 1995 - "**STSA**") enthaltenem Verbot Anwendung findet.
(3) Die Emittentin versichert und gewährleistet, dass im Hinblick auf das Angebot der Zertifikate, in dem Prospekt, Werbung und anderen Unterlagen, in denen das Angebot der Zertifikate enthalten ist, die jeweils einschlägigen rechtlichen Vorgaben der jeweiligen Jurisdiktion für ein solches Angebot eingehalten sind und eingehalten werden, in welcher die jeweiligen Personen (einschließlich juristischer Personen) domiziliert, inkorporiert oder niedergelassen sind, an die sich das Angebot richtet.

Frankreich
Die Zertifikate dürfen im Staatsgebiet von Frankreich weder direkt noch indirekt angeboten oder verkauft werden, sofern nicht die nachstehend geschilderten Voraussetzungen erfüllt sind. Ein Angebot der Zertifikate wird in Frankreich ausschließlich in Übereinstimmung mit dem Artikeln L.411-1 und L.411-2 des Französischen *Code Monétaire et Financier* und dem Dekret n°98-880 vom 1. Oktober 1998 im Hinblick auf bestimmte Investorengruppen erfolgen. Dieses Dokument und andere im Zusammenhang mit der Ausgabe der Zertifikate übermittelte Unterlagen dürfen an eine Person in Frankreich nur aus- oder weitergegeben werden, wenn der Empfänger die einschlägigen Voraussetzungen erfüllt oder eine Person ist, an die solche Unterlagen in Übereinstimmung mit den voranstehend genannten Vorschriften rechtmäßig aus- oder weitergegeben werden dürfen.

Andere Länder
Die Zertifikate dürfen nicht innerhalb oder aus einem Rechtsgebiet heraus angeboten, verkauft oder geliefert werden, noch dürfen irgendwelche Angebotsunterlagen in Bezug auf die Zertifikate in oder aus einem Rechtsgebiet heraus vertrieben oder veröffentlicht werden, es sei denn, dass dies gemäß den anwendbaren Gesetzen und Verordnungen des betreffenden Rechtsgebietes zulässig ist und keinerlei Verpflichtungen der Emittentin begründet.

Allgemeine Informationen

Die BNP Paribas Arbitrage Issuance B.V. (nachstehend auch "BNPPAI B.V." oder "Emittentin), Herengracht 477, NL-1017 B S Amsterdam und die BNP Paribas S.A. als Garantin übernehmen die Verantwortung für den Inhalt des Prospektes und erklären, daß nach ihrem besten Wissen die Angaben in dem Prospekt richtig sind und keine wesentlichen Umstände ausgelassen wurden.

Es wurden keine Personen befugt, Angaben bereitzustellen oder Darstellungen zu machen, die nicht in diesem Prospekt enthalten oder mit den darin enthaltenen oder anderweitig im Zusammenhang mit dem Prospekt zur Verfügung gestellten Angaben vereinbar sind. Soweit solche Angaben bereitgestellt bzw. Darstellungen gemacht werden, darf auf diese nicht als von der Emittentin genehmigte Information oder Darstellung vertraut werden.

Dieser Prospekt stellt in einer Rechtsordnung, in der solch ein Angebot oder solch eine Aufforderung nicht erlaubt ist oder in der ein solches Angebot oder eine solche Aufforderung rechtswidrig ist, weder ein Angebot noch eine Aufforderung zur Abgabe von Angeboten dar und darf für solche Zwecke nicht verwendet werden; und es werden keinerlei Maßnahmen ergriffen, um ein Angebot der Zertifikate oder die Verteilung des Prospekt Rechtsordnung zu ermöglichen, in der entsprechende Maßnahmen erforderlich sind.

Dieser Prospekt und sonstige im Zusammenhang mit dem Prospekt zur Verfügung gestellte Angaben sind weder als Grundlage für eine Bonitätsprüfung oder sonstige Bewertung zu verwenden, noch stellen sie eine Kaufempfehlung der Emittentin für die Zertifikate an eine Person dar, die den Prospekt oder andere im Zusammenhang damit bereitgestellte Angaben erhalten hat.

Interessierte Anleger sollten eine unabhängige Prüfung der Finanz- und Ertragslage sowie eine eigene unabhängige Bewertung der Kreditwürdigkeit der Emittentin vornehmen. Der Prospekt oder andere im Zusammenhang hiermit bereitgestellte Angaben stellen kein Angebot oder eine Aufforderung seitens oder namens der Emittentin oder einer sonstigen Person zum Bezug oder Kauf von Zertifikaten dar.

Nach Hinterlegung des Prospekts erfolgte Änderungen und Ergänzungen desselben werden in entsprechenden Nachträgen erfasst und sind jeweils ab dem Datum der Gültigkeit dieser Informationen zusammen mit dem Prospekt als einheitliche Dokumentation zu betrachten.

Verantwortung
Die BNPPAI B.V. als Emittentin und die BNP Paribas S.A. als Garantin übernehmen die Prospekthaftung; sie erklären, dass ihres Wissens die Angaben in dem Prospekt richtig sind und keine wesentlichen Umstände ausgelassen wurden.

Begebung
Die Zertifikate (die "Zertifikate") werden von der BNPPAI B.V. begeben und von der BNP PARIBAS ARBITRAGE SNC übernommen und öffentlich angeboten; die Zertifikate bilden den Gegenstand dieses Prospektes.

Verkauf
Die Zertifikate werden von der BNP PARIBAS ARBITRAGE SNC übernommen und in der vom 18. Februar 2005 bis zum 1. April 2005, 12:00 Uhr MEZ dauernden Zeichnungsfrist zum anfänglichen Verkaufspreis von 100% des Nennwertes je Zertifikat zum Verkauf angeboten.

Danach wird der Verkaufspreis von der BNP PARIBAS ARBITRAGE SNC festgesetzt.
Die Emittentin behält sich vor, die Zeichnungsfrist vorzeitig zu beenden und Zeichnungen zu kürzen.

Laufzeitbeginn der Zertifikate:
6. April 2005

Zahltag/Valuta
6. April 2005, danach zweitägig

Bewertungstag
28. März 2011

Fälligkeitstag
4. April 2011

Verbriefung
Die Zertifikate werden durch ein Inhaber-Sammel-Zertifikat verbrieft, das bei der Clearstream Banking AG, Frankfurt am Main, hinterlegt wird.

Es werden keine effektiven Zertifikate ausgegeben. Den Inhabern der Zertifikate stehen Miteigentumsanteile an einem Inhaber-Sammelzertifikat zu, die gemäß den Regeln und Bestimmungen der Clearstream Banking AG übertragen werden können.

Kleinste handelbare und übertragbare Einheit
1 Zertifikat zum Nennwert von Euro 1.000,-- oder ein ganzzahliges Vielfaches davon.

Emissionsvolumen
Es werden Zertifikate im Gesamtnennwert von Euro 20.000.000,-- (20.000 Zertifikate) mit der Möglichkeit der Aufstockung angeboten.

Referenzindex:
Dow Jones EURO STOXX 50^{SM} Kursindex (ISIN EU0009658145)

Startkurs des Referenzindex:
Der Startkurs des Referenzindex ist der am 4.April 2005 der von der Indexfestlegungsstelle festgestellte Schlusskurs des Referenzindex.

Börseneinführung
Die zu begebenden Zertifikate sollen in den Amtlichen Handel an der Wiener Börse und in den Freiverkehr der Frankfurter Wertpapierbörse einbezogen werden.

Verfügbarkeit von Unterlagen
Der Prospekt und alle Nachträge dazu werden von der BNP Paribas Niederlassung Frankfurt am Main, Grüneburgweg 14, 60322 Frankfurt am Main und von der Schoellerbank Aktiengesellschaft, Renngasse 3, A-1010 Wien, Österreich, die Zahlstelle und Hinterlegungsstelle in der Republik Österreich, zur kostenlosen Ausgabe bereitgehalten. Die im Prospekt genannten Unterlagen sowie Geschäfts- und Zwischenberichte der Emittentin und der Garantin können bei der Emittentin während der üblichen Geschäftszeiten eingesehen werden.

Verwendung des Nettoemissionserlöses
Der Nettoerlös der Emission dient der Finanzierung der Geschäftsentwicklung der BNPPAI B.V.

Clearing-Nummern
Wertpapierkennummer: BNP0N3

International Securities Identification Number (ISIN): DE000BNP0N32

Risikohinweise

WICHTIGE INFORMATIONEN ÜBER DIE MIT DEN ZERTIFIKATEN VERBUNDENEN RISIKEN

1. Allgemeine Risiken der Zertifikate

Die BNP Paribas Arbitrage Issuance B.V. (die "Emittentin") ist verpflichtet, nach Maßgabe der Zertifikatsbedingungen in Abhängigkeit von der Kursentwicklung des Referenzindex dem Zertifikatsinhaber nach dem Bewertungstag zum Fälligkeitstag einen Abrechnungsbetrag in Euro ("EUR") zu zahlen.

Abhängig davon, ob die Barriere (wie in den Zertifikatsbedingungen definiert) erreicht oder unterschritten wurde, wird der Abrechnungsbetrag am Ende der Laufzeit wie folgt ermittelt:

1. Wurde die Barriere während des Referenzzeitraumes erreicht oder unterschritten, entspricht der Abrechnungsbetrag in EUR dem Nennwert eines Zertifikates multipliziert mit der in Prozent ausgedrückten Wertentwicklung, die sich aus der Division des Bewertungskurses durch den Startkurs des Referenzindex ergibt.

2. Wurde zum einen die Barriere während des Referenzzeitraumes nicht erreicht oder unterschritten und ist zum anderen die am Bewertungstag festgestellte positive Wertentwicklung des Referenzindex höher als 145 % des Startkurses, entspricht der Abrechnungsbetrag dem Nennwert eines Zertifikates von EUR 1.000 (eintausend) multipliziert mit der in Prozent ausgedrückten Wertentwicklung des Referenzindex.

3. Wurde die Barriere während des Referenzzeitraumes nicht erreicht oder unterschritten und ist die am Bewertungstag festgestellte positive Wertentwicklung des Referenzindex nicht höher als 145 % des Startkurses, entspricht der Abrechnungsbetrag dem Nennwert eines Zertifikates von EUR 1.000 (eintausend) zuzüglich des Bonus in Höhe von EUR 450 (vierhundertundfünfzig).

Die vorliegenden Zertifikate sind Anlageinstrumente, die wirtschaftlich einer Direktinvestition in den jeweiligen Index ähnlich, einer solchen jedoch insbesondere deshalb nicht vollständig vergleichbar sind, weil (i) sie nur auf die Zahlung eines Geldbetrages und nicht auf Lieferung der zugrunde liegenden Index-Wertpapiere gerichtet sind, (ii) die Laufzeit begrenzt ist, (iii) der Abrechnungsbetrag nicht direkt den Kurswerten der Indexwert-Papiere, sondern entweder dem Nennwert eines Zertifikates von EUR 1.000 (eintausend) zuzüglich des Bonus in Höhe von EUR 450 (vierhundertundfünfzig) entspricht, oder dem Nennwert eines Zertifikates multipliziert mit der in Prozent ausgedrückten Wertentwicklung (wie oben und in den Zertifikatsbedingungen definiert), (iv) die Zertifikatsinhaber keinerlei Ausschüttungen, Bezugsrechte, Steuergutschriften oder ähnliches, die auf die dem Index zugrundeliegenden Index-Wertpapiere entfallen, erhalten und (v) die Zertifikatsinhaber zusätzlich das Ausfallrisiko der Emittentin tragen.

Während auf der einen Seite das Gewinnpotential des Zertifikatinhabers nach Maßgabe der Zertifikatsbedingungen beschränkt ist, trägt er auf der anderen Seite das Verlustrisiko im Falle eines Rückganges des Index unter den Startkurs am Bewertungstag und damit einer Rückzahlung, die unter dem Nennwert des Zertifikates, damit gegebenenfalls unter dem für das Zertifikat gezahlten Preis liegt. In diesem Zusammenhang ist zu berücksichtigen, daß die Zertifikate nur befristete Rechte verbriefen. Geschäfte, mit denen Verlustrisiken aus den Zertifikaten ausgeschlossen oder eingeschränkt werden sollen (Absicherungsgeschäfte), können möglicherweise nicht oder nur zu einem verlustbringendem Preis getätigt werden.

2. Weitere wertbestimmende Faktoren

Der Wert eines Zertifikats wird nicht nur von den Kursveränderungen des Referenzindex bestimmt, sondern zusätzlich von einer Reihe weiterer Faktoren. Zu diesen Faktoren gehören u.a. die Laufzeit des Zertifikats sowie die Häufigkeit und Intensität von Kursschwankungen (Volatilität) des Referenzindex sowie die Entwicklung des gesamtwirtschaftlichen Zinsniveaus (Zinsänderungsrisiko). Kursschwankungen sind von einer Vielzahl von Faktoren abhängig, wie z.B. Tätigkeiten der im Referenzindex enthaltenen Unternehmen, volkswirtschaftlichen Faktoren und Spekulationen.

Es ist zu beachten, dass Kursänderungen der Basiswerte (oder auch schon das Ausbleiben einer erwarteten Kursänderung) den Wert der Zertifikate überproportional bis hin zur Wertlosigkeit mindern können.

Angesichts der begrenzten Laufzeit der Zertifikate kann nicht darauf vertraut werden, dass sich der Preis der Zertifikate rechtzeitig wieder erholen wird. Es besteht dann das Risiko des Verlusts des gezahlten Kaufpreises einschließlich der aufgewendeten Transaktionskosten. Dieses Risiko besteht unabhängig von der finanziellen Leistungsfähigkeit der Emittentin.

Kursänderungen der Basiswerte und damit der Zertifikate können u.a. auch dadurch entstehen, dass durch Unternehmen der BNP PARIBAS-Gruppe Absicherungsgeschäfte oder sonstige Geschäfte größeren Umfangs in die zugrundeliegenden Basiswerte oder bezogen auf die Basiswerte getätigt werden.

Ein Zertifikat verbrieft weder einen Anspruch auf Zinszahlung noch auf Dividendenzahlung und wirft daher keinen laufenden Ertrag ab. Mögliche Wertverluste des Zertifikats können daher nicht durch andere Erträge des Zertifikats kompensiert werden.

3. Einfluß von Nebenkosten auf die Gewinnchance

Provisionen und andere Transaktionskosten, die beim Kauf oder Verkauf von Zertifikaten anfallen, können - insbesondere in Kombination mit einem niedrigen Auftragswert - zu Kostenbelastungen führen, die die mit dem Zertifikat verbundene Gewinnchance stark vermindern können. Man sollte sich deshalb vor Erwerb eines Zertifikats über alle beim Kauf oder Verkauf des Zertifikats anfallenden Kosten informieren.

4. Risikoausschliessende oder –einschränkende Geschäfte

Es sollte nicht darauf vertraut werden, daß während der Laufzeit Geschäfte abgeschlossen werden können, durch die sich Risiken ausschliessen oder einschränken lassen; dies hängt von den Marktverhältnissen und den jeweils zugrundeliegenden Bedingungen ab. Unter Umständen können solche Geschäfte nur zu einem ungünstigen Marktpreis getätigt werden, so daß für den Erwerber ein entsprechender Verlust entsteht.

5. Handel in den Zertifikaten

Soweit in diesem Prospekt angegeben, wurden Anträge auf Zulassung oder Notierung an den angegebenen Börsen gestellt. Sind die Zertifikate an einer Börse für den Handel zugelassen oder notiert, kann nicht zugesichert werden, daß diese Zulassung oder Notierung beibehalten wird.

Die Emittentin beabsichtigt, unter gewöhnlichen Marktbedingungen regelmäßig Ankaufs- und Verkaufskurse für die Zertifikate einer Emission über ein mit ihr verbundenes Unternehmen i.S.v. § 15 AktG stellen zu lassen. Die Emittentin übernimmt jedoch keinerlei Rechtspflicht hinsichtlich der Höhe oder des Zustandekommens derartiger Kurse. Es ist nicht gewährleistet, daß die Zertifikate während ihrer Laufzeit zu einer bestimmten Zeit oder einem bestimmten Kurs veräußert werden können. Verzögerungen bei der Kursfeststellung können sich beispielsweise bei Marktstörungen und Systemproblemen ergeben.

Der Preis der Zertifikate kann auch erheblich von dem Wert des Basiswertes der Zertifikate abweichen. Daher sollte man sich vor dem Kauf der Zertifikate über den Kurs des dem Zertifikat zugrundeliegenden Basiswertes informieren und Kaufaufträge mit angemessenen Preisgrenzen versehen.

6. Inanspruchnahme von Kredit

Wenn der Erwerb der Zertifikate mit Kredit finanziert wird, muss beim Nichteintritt der Erwartungen nicht nur der eingetretene Verlust hingenommen werden, sondern auch der Kredit verzinst und zurückgezahlt werden. Dadurch erhöht sich das Verlustrisiko erheblich. Es soll nicht darauf gesetzt werden, den Kredit aus Gewinnen eines Zertifikatgeschäfts verzinsen und zurückzahlen zu können. Vielmehr muß der Erwerber von Zertifikaten vorher seine wirtschaftlichen Verhältnisse daraufhin überprüfen, ob er zur Verzinsung und ggf. zur kurzfristigen Tilgung des Kredits auch dann in der Lage ist, wenn statt der erwarteten Gewinne Verluste eintreten.

7. Beratung durch die Hausbank

Dieser Prospekt ersetzt nicht die in jedem individuellen Fall unerläßliche Beratung vor der Kaufentscheidung durch die Hausbank oder den Finanzberater. Für die Rechte und Pflichten der Zertifikatsinhaber und der Emittentin sind allein die Zertifikatsbedingungen maßgeblich.

Angaben zu dem Referenzindex

Alle in diesem Verkaufsprospekt enthaltenen Informationen über den Referenzindex, einschließlich der Informationen über seine Berechnung und über die Veränderungen seiner Bestandteile beruhen auf öffentlich zugänglichen Informationen, die von den jeweiligen Lizenzgebern erstellt wurden. Die Emittentin hat diese Informationen keiner unabhängigen Überprüfung unterzogen.

Obwohl die Lizenzgeber gegenwärtig die beschriebenen Methoden zur Berechnung des Referenzindex anwenden, kann keine Gewährleistung dafür übernommen werden, daß die Lizenzgeber die Berechnungsmethoden nicht in einer Weise abwandeln oder verändern, die unter Umständen die Zahlung an die Inhaber von Zertifikaten beeinflussen kann.

Der Dow Jones EURO STOXX 50^{SM}-Kursindex basiert auf einem Index-Konzept der STOXX Limited, Zürich (Schweiz) - einem Gemeinschaftsunternehmen der Deutschen Börse AG, Dow Jones and Company und der Swiss Exchange SWX - und wird von ihr ermittelt.

Der Dow Jones EURO STOXX 50^{SM} Index (Kursindex) (ISIN EU0009658145, Bloomberg: SX5E) ist ein kapitalisierungsgewichteter Index aus 50 Blue-Chip-Aktien von Gesellschaften, die ihren Sitz in Teilnehmerstaaten der Europäischen Währungsunion haben. Die Berechnung des Index erfolgt auf der Grundlage der im Streubesitz (Free Float) befindlichen Aktien.

Der Dow Jones EURO STOXX 50^{SM} Index wird sowohl als Kursindex als auch als Performance-Index berechnet. Bei der Berechnung des Kursindex, auf den sich die Zertifikate beziehen, werden nur Bardividenden, die 10% des Aktienkurses übersteigen, sowie Sonderdividenden aus betriebsfremden Erträgen berücksichtigt, während bei der Berechnung des Performance-Index sämtliche Dividendenzahlungen miteinbezogen werden.

Der Index leitet sich von dem Dow Jones EURO STOXX ^{SM} ab, der sich wiederum von dem Dow Jones STOXX ^{SM} TMI ableitet. Über die Internet-Seite http://www.stoxx.com sind zur Zeit sowohl Kursdaten abfragbar als auch weitere Informationen über den Dow Jones EURO STOXX 50 ^{SM} Index. Hier ist unter anderem auch der "Dow Jones STOXX ^{SM} Index Guide", der unter dem Menupunkt "Index-Guide" veröffentlicht wird, zu finden.

Die Emittentin übernimmt weder für die Aktualität noch für die Verfügbarkeit der Kursdaten und Informationen die Gewähr. Auf während der Laufzeit der Zertifkate erfolgende Aktualisierungen des Index wird von der Emittentin nicht hingewiesen.

Historische Entwicklung des Dow Jones EURO STOXX 50 ^{SM} Kursindex.

	Jahrestief	Jahreshoch	Jahresschluß
1992	920.65 (05.10)	1,108.28(25.05)	1,033.51
1993	1,014.66(11.01)	1,433.34(31.12)	1,433.66
1994	1,268.62(05.10)	1,459.27(02.02)	1,320.59
1995	1,274.57(09.03)	1,509.91(26.12)	1,506.82
1996	1,507.65(01.01)	1,859.10(30.12)	1,850.32
1997	1,824.52(02.01)	2,699.78(07.08)	2,531.99
1998	2,419.23(08.10)	3,670.82(20.07)	3,342.32
1999	3,325.56(10.02)	4,904.46(30.12)	4,904.46
2000	4,500.69(06.01)	5,464.43(06.03)	4,772.39
2001	2,877.68(21.09)	4,787.45(17.01)	3,806.13
2002	2,150.27(09.10)	3,833.09(03.01)	2,386.41
2003	1,849. 64 (12.03)	2,760.66 (31.12)	2,760. 66
2004	2,580.04 (13.08)	2,959.71 (08.03)	2,951. 24
2005	2,924.01 (12.01)	3,008.55 (01.02)	

Quelle: Bloomberg

Lizenzvermerk

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Die Zertifikate werden von den Lizenzgebern nicht gesponsert, unterstützt, verkauft oder vertrieben. Die Lizenzgeber machen keinerlei Zusagen oder übernehmen irgendeine Gewährleistung, weder ausdrücklich noch implizit, gegenüber den Inhabern der Zertifikate oder anderen Personen darüber, ob eine Veranlagung in Wertpapieren allgemein oder in den Zertifikaten im besonderen anzuraten ist. Die Beziehung zwischen den Lizenzgebern und dem Lizenznehmer ist eingeschränkt auf die eines Lizenzgebers für Dow Jones EURO STOXX 50^{SM} und bestimmter Handelsmarken, Handelsnamen und Dienstleistungsmarken der Lizenzgeber. Der genannte Index wird von den Lizenzgebern festgesetzt, zusammengestellt und kalkuliert, ohne Berücksichtigung des Lizenznehmers oder der Zertifikate. Die Lizenzgeber sind nicht verantwortlich für oder beteiligt an der Festsetzung des Zeitpunktes, des Preises oder der Anzahl der zu begebenden Zertifikate noch an der Festsetzung oder Berechnung der Formel, nach der die Zertifikate durch Bargeld einzulösen sind. Die Lizenzgeber treffen keinerlei Verpflichtungen oder Haftungen im Zusammenhang mit der Administration, dem Marketing oder dem Handel mit den Zertifikaten.

DIE LIZENZGEBER GARANTIEREN NICHT DIE ECHTHEIT UND/ODER VOLLSTÄNDIGKEIT DES INDEX ODER DER DARIN ENTHALTENEN DATEN, ODER ÜBERNEHMEN IRGENDEINE HAFTUNG FÜR IRRTÜMER, UNVOLLSTÄNDIGKEITEN ODER UNTERBRECHUNGEN. DIE LIZENZGEBER MACHEN KEINERLEI ZUSAGEN ODER ÜBERNEHMEN IRGENDEINE GEWÄHRLEISTUNG, WEDER AUSDRÜCKLICH NOCH IMPLIZIT, FÜR DIE ERGEBNISSE, DIE VOM LIZENZNEHMER, DEN INHABERN DER ZERTIFIKATE ODER IRGENDEINER ANDEREN PERSON AUS DEM GEBRAUCH DES INDEX ODER DER DARIN ENTHALTENEN DATEN ERZIELT WERDEN SOLLEN. DIE LIZENZGEBER ÜBERNEHMEN KEINERLEI AUSDRÜCKLICHE ODER STILLSCHWEIGENDE GEWÄHRLEISTUNG UND LEHNEN AUSDRÜCKLICH JEGLICHE GEWÄHRLEISTUNGSPFLICHT AB FÜR DIE VERWERTBARKEIT ODER DIE EIGNUNG FÜR EINEN BESTIMMTEN ZWECK ODER GEBRAUCH DES INDEX UND DER DARIN ENTHALTENEN DATEN. DARÜBERHINAUS ÜBERNEHMEN DIE LIZENZGEBER KEINERLEI HAFTUNG FÜR ENTGANGENE GEWINNE ODER INDIREKTE, STRAFWEISE FESTGESETZTE, SPEZIELLE ODER FOLGESCHÄDEN, SELBST WENN SIE VON DEREN VORHERSEHBARKEIT VERSTÄNDIGT WURDEN. ES GIBT KEINE DRITTEN BEGÜNSTIGTEN AUS IRGENDWELCHEN VERTRÄGEN ODER VEREINBARUNGEN ZWISCHEN DEN LIZENZGEBERN UND DEM LIZENZNEHMER.

Quellensteuerabzug in den Niederlanden, der Republik Österreich und der Bundesrepublik Deutschland

Dieser Abschnitt stellt eine Zusammenfassung bestimmter steuerlicher Vorschriften in den Niederlanden , der Republik Österreich und der Bundesrepublik Deutschland dar. Er erhebt keinen Anspruch auf Vollständigkeit der Informationen, die für die Kaufentscheidung hinsichtlich der Zertifikate notwendig sein könnten. Die Zusammenfassung basiert auf den zum Zeitpunkt der Drucklegung dieses Prospektes geltenden steuerlichen Vorschriften in den Niederlanden, in der Republik Österreich und der Bundesrepublik Deutschland. Die Darstellung erhebt nicht den Anspruch, alle Aspekte dieser Steuerarten zu erfassen und geht auch nicht auf die individuelle steuerliche Situation des einzelnen Käufers ein.

Dem Erwerber von Zertifikaten wird empfohlen, sich hinsichtlich der Einzelheiten der Besteuerung beraten zu lassen.

Besteuerung in den Niederlanden

Bei den Zertifikaten wird zur Zeit eine Quellensteuer im Rahmen des Verkaufs bzw. der Einlösung der Zertifikate in den Niederlanden nicht erhoben.

Ab dem 1. Juli 2005 ist die Emittentin verpflichtet, den niederländischen Steuerbehörden Informationen zur Verfügung zu stellen im Hinblick auf Zinszahlungen/Bonuszahlungen oder die Sicherung von Zinszahlungen/Bonuszahlungen durch die Emittentin, soweit die Inhaber der Zertifikate in anderen EU-Mitgliedsstaaten ansässig sind (dies gilt jedoch nur, wenn der betreffende Inhaber eine natürliche Person ist). Die Emittentin muss voraussichtlich die folgenden Informationen innerhalb von zwei Monaten nach Ende des Kalenderjahres zur Verfügung stellen, in welchem die Zinszahlung erfolgte: (i) Identität des Inhabers des Zertifikates, (ii) Name und Anschrift der Emittentin, (iii) Kontonummer des Inhabers des Zertifikates bzw. in Ermangelung dieser Angabe Identifizierung des relevanten Zertifikates und (iv) Höhe der Zinszahlung/Bonuszahlung. Diese Information wird dem jeweiligen EU-Mitgliedsstaat, in welchem der Inhaber der Zertifikate ansässig ist, zur Verfügung gestellt.

Besteuerung in der Republik Österreich

Die nachfolgenden Ausführungen stellen eine Zusammenfassung der quellensteuerlichen Behandlung der BONUS ZERTIFIKATE 04/05 – 04/11 in Österreich dar. Steuerliche Folgen des Erwerbs, Haltens oder der Veräußerung von Zertifikaten in anderen Ländern werden nicht erläutert. Es werden nicht alle Aspekte der Besteuerung aufgeführt, die für einen bestimmten Zertifikatsinhaber und seine steuerliche Situation relevant sein können. Potentielle Erwerber werden darauf hingewiesen, dass sie hinsichtlich der steuerlichen Behandlung der Erträge und des Verkaufs oder der Einlösung der BONUS ZERTIFIKATE 04/05 – 04/11 ihren Steuerberater konsultieren sollten.

1. Natürliche Personen – Besteuerung im Privatvermögen

BONUS ZERTIFIKATE 04/05 – 04/11 enthalten keine Zinsabrede. Steuerlich ist dieses Zertifikat als Forderungswertpapier zu qualifizieren, jedoch mangels laufender Verzinsung (d.h. jährlicher Ausschüttungen) ergibt sich während der Laufzeit keine Steuerpflicht (Ausnahme: Vorzeitiger Verkauf binnen eines Jahres nach Anschaffung). Den Unterschiedsbetrag zwischen Ausgabe- und Einlösungswert qualifiziert der österreichische Verwaltungsgerichtshof als Zinsen. Demnach ist am Ende der Laufzeit der Unterschiedsbetrag zwischen Emissionskurs und Zahlung bei Fälligkeit

einkommensteuerpflichtig und unterliegt dem 25%igen Kapitalertragsteuerabzug. Dies bewirkt die gänzliche Endbesteuerung hinsichtlich Einkommen- als auch Erbschaftssteuer.

Die Aufnahme allfälliger Erträge in die Einkommensteuererklärung ist nicht erforderlich. Endbesteuerte Erträge werden jedoch bei der Berechnung des Anspruchs auf den Alleinverdienerabsetzbetrag sowie der Familienbeihilfe berücksichtigt. Damit in Zusammenhang stehende Aufwendungen (Werbungskosten, z.B. Spesen, Provisionen, etc.) können steuerlich nicht geltend gemacht werden. Liegt die Tarifsteuer unter 25 %, so kann ein Antrag auf Regelbesteuerung gestellt werden.

2. Natürliche Personen – Besteuerung im Betriebsvermögen

Werden BONUS ZERTIFIKATE 04/05 – 04/11 im Betriebsvermögen einer natürlichen Person gehalten, so ist ebenfalls am Ende der Laufzeit ein allfälliger Unterschiedsbetrag zwischen Emissionskurs und Zahlung bei Fälligkeit steuerpflichtig. Der 25%igen Kapitalertragsteuerabzug bewirkt im Bereich der Einkommensteuer volle Endbesteuerung, die Erbschaftssteuerpflicht bleibt aufrecht.

3. Kapitalgesellschaften

Ergibt sich am Laufzeitende der BONUS ZERTIFIKATE 04/05 – 04/11 ein allfälliger Unterschiedsbetrag zwischen Emissionskurs und Zahlung bei Fälligkeit, so werden grundsätzlich zunächst 25 % Kapitalertragsteuer einbehalten. Während der Laufzeit fällt auch bei Kapitalgesellschaften mangels ausgeschütteter Erträge i.d.R. keine Steuer an (Ausnahme: vorzeitiger Verkauf binnen eines Jahres nach Anschaffung).

Der Abzug bewirkt jedoch – im Gegensatz zu natürlichen Personen – keinerlei Endbesteuerungswirkung, sondern wird im Zuge der Veranlagung auf die reguläre Körperschaftsteuer in Höhe von 25 % angerechnet. Zur Vermeidung des Kapitalertragsteuerabzuges ist die Abgabe einer Befreiungserklärung möglich.

4. Privatstiftungen

In Privatstiftungen ist mangels laufender Verzinsung (d.h. jährlicher Ausschüttungen) bis zum Laufzeitende keine Steuerpflicht gegeben (Ausnahme: Vorzeitiger Verkauf binnen eines Jahres nach Anschaffung). Bei Fälligkeit der BONUS ZERTIFIKATE 04/05 – 04/11 unterliegt der Wertzuwachs der 12,5 %igen Körperschaftsbesteuerung (sog. „Zwischensteuer“), wenn in diesem Jahr keine Zuwendungen der Stiftung an deren Begünstigte erfolgen. Die Festsetzung der Zwischensteuer erfolgt im Rahmen der Veranlagung und kann bei Ausschüttungen an Begünstigte gegenverrechnet werden.

5. Körperschaften öffentlichen Rechts (z.B. Gemeinden) und gemeinnützige Organisationen (z.B. Vereine)

Unterschiedsbeträge zwischen Emissionskurs und Zahlung bei Fälligkeit des BONUS ZERTIFIKATE 04/05 – 04/11 am Laufzeitende unterliegen bei Körperschaften öffentlichen Rechts dem 25 %igen Kapitalertragsteuerabzug und gelten dadurch für Zwecke der Körperschaftsteuer als endbesteuert. Erträge im Rahmen von Versorgungs- und Unterstützungseinrichtungen sind steuerfrei. Gemeinnützige Organisationen unterliegen ebenfalls einem 25%igen Kapitalertragsteuerabzug, außer die Veranlagung ist einem steuerfreien Betrieb zuzurechnen (in diesem Fall Befreiungserklärung möglich).

6. Ausländische Zertifikatinhaber

Ist der Inhaber der Zertifikate in der EU ansässig, ist die Emittentin ab dem 1. Juli 2005 möglicherweise verpflichtet, bei Veräußerung der BONUS ZERTIFIKATE 04/05 – 04/11 nach dem EU-Quellensteuergesetz einen Steuerabzug von derzeit 15 % vorzunehmen. Der Quellensteuerabzug kann unterbleiben, sofern der Inhaber des Zertifikates der inländischen Zahlstelle eine Bescheinigung des Wohnsitzfinanzamtes übergibt, aus der folgende Informationen hervorzugehen haben:

- Name, Anschrift und Steuer- oder sonstige Identifizierungsnummer oder, in Ermangelung einer solchen, Geburtsdatum und –ort des wirtschaftlichen Eigentümers;
- Name und Anschrift der Zahlstelle;
- Kontonummer des wirtschaftlichen Eigentümers oder, in Ermangelung einer solchen, Kennzeichen des Wertpapieres.

Ist die EU Quellensteuer einzubehalten, ist diese von der Emittentin bis zum 31. Mai jeden Jahres beginnend ab 2006 verbunden mit einer elektronischen Erklärung an das zuständige Finanzamt abzuführen. Wird die entsprechende Bescheinigung beigebracht oder ist der Inhaber der Zertifikate außerhalb der EU ansässig, wird in Österreich keine Quellensteuer eingehoben.

Besteuerung in der Bundesrepublik Deutschland

Die BONUS ZERTIFIKATE 04/05 – 04/11 unterliegen nach derzeitiger Einschätzung keiner Quellenbesteuerung in Deutschland. Erzielt ein in Deutschland ansässiger Investor in seinem Privatvermögen innerhalb eines Jahres nach der Anschaffung des Zertifikats einen Veräußerungs- oder Einlösungsgewinn, ist dieser Gewinn einkommensteuerpflichtig, da die Zertifikate Termingeschäfte i. S. d. § 23 Abs. 1 S. 1 Nr. 4 EStG sind. Soweit ein Investor die Zertifikate in einem inländischen Betriebsvermögen hält, sind Veräußerungs- oder Einlösungsgewinne daraus stets steuerpflichtig.

Es ist im Übrigen darauf hinzuweisen, dass die Finanzverwaltung bislang nicht zu Zertifikaten Stellung genommen hat, deren Bedingungen denjenigen der BONUS ZERTIFIKATE 04/05 – 04/11 entsprechen. Es kann deshalb nicht vollkommen ausgeschlossen werden, dass sie die vorliegenden Zertifikate als Finanzinnovation qualifiziert. Folge einer solchen Einordnung wäre, dass jegliche Veräußerungs- und Einlösungsgewinne unabhängig vom Ablauf der einjährigen Spekulationsfrist der Einkommensteuer und dem Zinsabschlag in Höhe von 30% zuzüglich 5,5% Solidaritätszuschlag unterliegen. Werden die Zertifikate nicht von der auszahlenden Stelle erworben oder veräußert und seitdem verwahrt oder verwaltet, so wäre in diesem Fall der Zinsabschlag pauschal von 30% des Veräußerungs- bzw. Einlösungsbetrags zu erheben.

Vom 1.7.2005 an soll ein Meldeverfahren für Zinszahlungen an in andere EU-Staaten ansässige Empfänger nach § 9 der Zinsinformationsverordnung (ZIV) eingeführt werden. Dies sieht vor, dass eine inländische Zahlstelle dem Bundesamt für Finanzen Auskünfte zu erteilen verpflichtet ist, insbesondere im Hinblick auf Identität und Wohnsitz des Eigentümers, Name und Anschrift der Zahlstelle, Kontonummer des wirtschaftlichen Eigentümers oder, in Ermangelung einer solchen, Kennzeichen der Forderung aus der die Zinsen herrühren sowie den Gesamtbetrag der Zinsen oder Erträge und den Gesamtbetrag des Erlöses aus der Abtretung, Rückzahlung oder Einlösung. Das Bundesamt für Finanzen leitet diese Auskünfte an die zuständige Landesverwaltung im Ansässigkeitsstaat des Empfängers weiter.

ZERTIFIKATSBEDINGUNGEN
für BONUS Zertifikate
bezogen auf einen Index

§ 1

Zertifikatsrecht, Definitionen

(1) Die BNP PARIBAS Arbitrage Issuance B.V., Amsterdam, Niederlande, ("**Emittentin**") gewährt jedem Inhaber ("**Zertifikatsinhaber**") eines BONUS Zertifikats ("**Zertifikat**") bezogen auf einen Index ("**Referenzindex**") das Recht ("**Zertifikatsrecht**"), von der Emittentin nach Maßgabe dieser Zertifikatsbedingungen Zahlung des nachstehend bezeichneten Abrechnungsbetrages in Euro ("**EUR**") zu verlangen.

Der Abrechnungsbetrag (der "**Abrechnungsbetrag**") wird wie folgt ermittelt:

a) Wenn (i) zum einen der Beobachtungskurs des Referenzindexes an der Börse zu keinem Zeitpunkt innerhalb des Referenzzeitraumes die Barriere erreicht oder unterschritten hat *und* (ii) zum anderen die positive Wertentwicklung des Referenzindex (ermittelt durch die Division des Bewertungskurses durch den Startkurs und ausgedrückt in Prozent) am Bewertungstag 145 % des Startkurses **nicht überschreitet**, wird die Emittentin gem. § 6 einen Abrechnungsbetrag in EUR pro Zertifikat zahlen, der sich aus dem Nennwert eines Zertifikates von EUR 1.000 (eintausend) zuzüglich des Bonus in Höhe von 45 % des Nennwertes (EUR 450,-- in Worten vierhundertundfünfzig) errechnet.

Nennwert eines Zertifikates + Bonus

b) Wenn (i) zum einen der Beobachtungskurs des Referenzindexes an der Börse zu keinem Zeitpunkt innerhalb des Referenzzeitraumes die Barriere erreicht oder unterschritten hat *und* (ii) zum anderen die positive Wertentwicklung des Referenzindex (ermittelt durch die Division des Bewertungskurses durch den Startkurs und ausgedrückt in Prozent) am Bewertungstag 145 % des Startkurses **überschreitet**, wird die Emittentin gem. § 6 einen Abrechnungsbetrag in EUR pro Zertifikat zahlen, der sich aus dem Nennwert eines Zertifikates von EUR 1.000 (eintausend) multipliziert mit der in Prozent ausgedrückten Wertentwicklung des Index errechnet.

Nennwert eines Zertifikates x Wertentwicklung

c) Wenn der Beobachtungskurs des Referenzindexes an der Börse zu irgendeinem Zeitpunkt innerhalb des Referenzzeitraumes die Barriere erreicht oder unterschritten hat, wird die Emittentin nach dem Bewertungstag einen Abrechnungsbetrag in EUR pro Zertifikat zahlen, der dem Nennwert eines Zertifikates von EUR 1.000 (eintausend) multipliziert mit der in Prozent ausgedrückten Wertentwicklung des Index entspricht.

Nennwert eines Zertifikates x Wertentwicklung

(2) Im Sinne dieser Zertifikatsbedingungen bedeutet:

- "**Bankgeschäftstag**":
(a) Jeder Tag (außer Samstag und Sonntag) an dem die Banken in Frankfurt am Main und Wien sowie die Clearstream Banking AG, Frankfurt am Main für den allgemeinen Geschäftsbetrieb geöffnet sind,
(b) im Zusammenhang mit Zahlungsvorgängen in EUR jeder Tag (außer Samstag und Sonntag) an dem das TARGET-System geöffnet ist. "TARGET-System" bezeichnet das Trans-European Automated Real-Time Gross Settlement Express Transfer-Zahlungssystem.

- "**Barriere**": Die Barriere wird am Startkurs-Festlegungstag festgelegt und beträgt 60 % des Startkurses (ausgedrückt in Indexpunkten). Es wird auf zwei Dezimalstellen gerundet, ab 0,005 wird aufgerundet. Die Veröffentlichung der festgelegten Barriere erfolgt unverzüglich zusammen mit dem Startkurs

- "**Beobachtungskurs**": Ein zu irgendeinem Zeitpunkt innerhalb des Referenzzeitraums von der Indexfestlegungsstelle festgestellter Kurs des Referenzindexes.

- "**Bewertungskurs**": Der am Bewertungstag von der Indexfestlegungsstelle festgestellte offizielle Schlusskurs des Referenzindex. Sollte am Bewertungstag der Schlusskurs nicht festgestellt werden und liegt keine Marktstörung gem. § 7 vor, dann ist der am nächstfolgenden Börsengeschäftstag von der Indexfestlegungsstelle festgestellte Schlusskurs des Referenzindex der Bewertungskurs.

- "**Bewertungstag**": Der 28. März 2011 (vorbehaltlich §§ 4 und 7); bzw. falls dieser Tag kein Börsengeschäftstag ist, der nachfolgende Börsengeschäftstag.

- "**Börsen**": Vorbehaltlich § 4, die Wertpapierbörsen/Handelssysteme, an denen Wertpapiere gehandelt werden, die in den Referenzindex einbezogen sind und von der Indexfestlegungsstelle zur Berechnung des Referenzindex herangezogen werden.

- "**Börsengeschäftstag**": Jeder Tag, an dem die jeweilige Börse für den regulären Handel geöffnet ist.

- "**Bonus**": Vorbehaltlich einer Anpassung gemäß § 4 der dem Zertifikat in nachstehender Tabelle zugewiesene und in EUR ausgedrückte Bonus je Zertifikat zum Nennwert von EUR 1.000 (eintausend).

- "**Fälligkeitstag**": Der dem Zertifikat in nachstehender Tabelle zugewiesene Fälligkeitstag (vorbehaltlich §§ 4 und 7); bzw. falls dieser Tag kein Börsengeschäftstag ist, der nachfolgende Börsengeschäftstag.

- "**Indexfestlegungsstelle**": STOXX Limited, vorbehaltlich einer Nachfolge-Indexfestlegungsstelle, gemäß § 4 Absatz (1).

- "**Referenzindex**": Der dem Zertifikat in nachstehender Tabelle zugewiesene und von der Indexfestlegungsstelle festgestellte und veröffentlichte Index, vorbehaltlich der Festlegung eines Nachfolgeindex gemäß § 4 Absatz (2).

- "**Referenzwerte**": Die dem Index zugrunde liegenden Aktien.

- "**Referenzzeitraum**": Der Zeitpunkt, von dem an der von der Indexfestlegungsstelle festgestellte Startkurs des Referenzindexes vorliegt, bis zur Feststellung des Bewertungskurses am Bewertungstag (jeweils einschliesslich).

- "**Sponsor**": STOXX Limited, vorbehaltlich der Festlegung eines Nachfolgesponsors gemäß § 4 Absatz (1).

- "**Startkurs-Festlegungstag**": 4. April 2005, vorbehaltlich §§ 4 und 7.

- "**Startkurs**": Der am Startkurs-Festlegungstag von der Indexfestlegungsstelle festgestellte offizielle Schlusskurs des Referenzindex. Sollte am Startkurs-Festlegungstag der Schlusskurs nicht festgestellt werden und liegt keine Marktstörung gem. § 7 vor, dann ist der am nachfolgenden Börsengeschäftstag von der Indexfestlegungsstelle festgestellte Schlusskurs des Referenzindex der Startkurs.

- "**Terminbörse**": Eurex

Volumen	Referenzindex mit ISIN und Bloomberg-Kürzel *	Barriere in Indexpunkten*	Bonus	Termin-börse**	Bewertungs-tag*	Fällig-keitstag*	ISIN der Zertifikate	WKN der Zertifikate
20.000 Zertifikate	Dow Jones EURO STOXX 50^{SM}-Kursindex /EU0009658145/SX5E	Die Barriere entspricht 60 % des Startkurses und wird am 4. April 2005 festgelegt und unverzüglich veröffentlicht	EUR 450,-- (vierhundertund-fünfzig) je Zertifikat	Eurex	28. März 2011	4. April 2011	DE000BNP0N32	BNP0N3

*(vorbehaltlich § 4 und § 7 der Zertifikatsbedingungen)

** bzw. die jeweilige Hauptterminbörse, an der Termin- oder Optionskontrakte in bezug auf den Referenzindex gehandelt werden.

§ 2
Form der Zertifikate, Girosammelverwahrung, Übertragbarkeit

(1) Die Zertifikate sind durch ein Dauer-Inhaber-Sammel-Zertifikat ("**Inhaber-Sammel-Zertifikat**") verbrieft. Dieses trägt die eigenhändigen Unterschriften von zwei Vertretungsberechtigten der Emittentin. Effektive Zertifikate werden nicht ausgegeben. Der Anspruch der Zertifikatsinhaber auf Lieferung effektiver Zertifikate ist ausgeschlossen.

(2) Das Inhaber-Sammel-Zertifikat ist bei der Clearstream Banking AG, Frankfurt am Main ("**CBF**") hinterlegt. Die Zertifikate sind als Miteigentumsanteile übertragbar.

(3) Im Effektengiroverkehr sind die Zertifikate ausschließlich in Einheiten von einem Zertifikat oder einem ganzzahligen Vielfachen davon übertragbar.

§ 3
Status, Garantie

(1) Die Zertifikate begründen unmittelbare und nicht nachrangige Verbindlichkeiten der Emittentin, für die die Emittentin keine Sicherheiten bestellt hat. Die Zertifikate stehen untereinander und mit allen sonstigen gegenwärtigen und künftigen nicht nachrangigen Verbindlichkeiten der Emittentin im gleichen Rang, ausgenommen solche Verbindlichkeiten, denen aufgrund zwingender gesetzlicher Vorschriften Vorrang zukommt.

(2) Die BNP PARIBAS S.A., Paris, Frankreich (die "Garantin") hat die unwiderrufliche und unbedingte Garantie für die ordnungsgemäße, fristgemäße und vollständige Erfüllung aller fälligen Verpflichtungen gegenüber den Zertifikatsinhabern aus den von der Emittentin begebenen Zertifikaten übernommen. Die Garantie begründet das Recht jedes Zertifikatsinhabers, Erfüllung aus der Garantie unmittelbar von der Garantin zu verlangen und die Garantie unmittelbar gegen die Garantin durchzusetzen. Kopien der Garantie werden bei der Zertifikatsstelle (§ 8) zur kostenlosen Abgabe bereit gehalten.

Darüber hinaus gehende Rechte gewährt die Garantie nicht, insbesondere nicht die Verpflichtung zur Zahlung eines Abrechnungsbetrages abweichend von den in § 6 in Ansehung der Emittentin getroffenen Bestimmungen.

§ 4
Veränderungen des Referenzindex, der Indexfeststellung oder Einstellung des Referenzindex; außerordentliche Kündigung

(1) Wird der Referenzindex nicht mehr vom Sponsor bzw. der Indexfestlegungsstelle, sondern von einer anderen Person, Gesellschaft oder Institution, die die Emittentin für geeignet hält (der "**Nachfolgesponsor**" bzw. die "**Nachfolgeindexfestlegungsstelle**") berechnet und veröffentlicht, so werden Startkurs, Bewertungskurs bzw. Beobachtungskurs gegebenenfalls auf der Grundlage des vom Nachfolgesponsor bzw. von der Nachfolgeindexfestlegungsstelle berechneten und veröffentlichten Index berechnet. Jede in diesen Zertifikatsbedingungen enthaltene Bezugnahme auf den Sponsor bzw. die Indexfestlegungsstelle gilt, sofern es der Zusammenhang erlaubt, als Bezugnahme auf den Nachfolgesponsor bzw. die Nachfolgeindexfestlegungsstelle. Nachfolgesponsor bzw. Nachfolgeindexfestlegungsstelle werden unverzüglich gemäß § 9 bekannt gemacht.

(2) Wird der Referenzindex zu irgendeiner Zeit aufgehoben und/oder durch einen anderen Index ersetzt, der nach Feststellung der Emittentin nach derselben oder einer vergleichbaren Formel und Art und Weise wie der bisherige Referenzindex berechnet und zusammengestellt wird, so ist dieser Index ggf. für die Feststellung des Beobachtungskurses bzw. die Berechnung eines Abrechnungsbetrages zugrunde zu legen (der "**Nachfolgeindex**"). Der Nachfolgeindex sowie der Zeitpunkt seiner erstmaligen Anwendung werden unverzüglich gemäß § 9 bekannt gemacht. Jede in diesen Zertifikatsbedingungen enthaltene Bezugnahme auf

den Referenzindex gilt dann, sofern es der Zusammenhang erlaubt, als Bezugnahme auf den Nachfolgeindex.

(3) Wird

(a) der Referenzindex ersatzlos aufgehoben,

(b) die Formel und Art und Weise der bisherigen Berechnung oder die Zusammenstellung des Referenzindex vom Sponsor bzw. von der Indexfestlegungsstelle so geändert, so dass der Index nach Feststellung der Emittentin nicht mehr mit dem bisherigen Referenzindex vergleichbar ist,

(c) der Referenzindex vom Sponsor bzw. von der Indexfestlegungsstelle durch einen Index ersetzt, der nach Feststellung der Emittentin im Hinblick auf die Berechnungsmethode oder Zusammenstellung nicht mehr mit dem bisherigen Referenzindex vergleichbar ist, oder

(d) ist der Sponsor bzw. die Indexfestlegungsstelle am Bewertungstag nicht in der Lage, die Berechnung des Referenzindex vorzunehmen, ausgenommen aus Gründen die zugleich eine Marktstörung gemäß § 7 Absatz (3) darstellen,

wird die Emittentin, sofern die Zertifikate nicht nach Absatz (4) gekündigt wurden, gegebenenfalls den Startkurs und die Barriere anpassen bzw. den Bewertungskurs des Referenzindex berechnen, wobei die Emittentin diejenige Berechnungsmethode anwendet, die der Sponsor bzw. die Indexfestlegungsstelle unmittelbar vor der Änderung oder Einstellung des Referenzindex verwendet hat und zwar nur auf der Basis der Referenzwerte, die dem Referenzindex unmittelbar vor dessen Änderung oder Einstellung zugrunde lagen, mit Ausnahme von Veränderungen, die im Rahmen der Berechnungsmethode zur Bestimmung des Referenzindex für den Fall der Veränderung der Zusammensetzung der Referenzwerte vorgesehen waren. Die Emittentin wird eine Fortführung der Indexberechnung unverzüglich gemäß § 9 bekannt machen.

(4) Die Emittentin ist berechtigt aber nicht verpflichtet, die Zertifikate in den in Absatz (3) genannten Fällen außerordentlich durch Bekanntmachung gemäß § 9 zu kündigen. Im Falle einer Kündigung zahlt die Emittentin anstatt des Abrechnungsbetrages an jeden Zertifikatsinhaber einen Betrag je Zertifikat (den "**Kündigungsbetrag**"), der von der Emittentin nach billigem Ermessen (§ 315 BGB) als angemessener Marktpreis des Zertifikats unmittelbar vor dem zur Kündigung berechtigenden Ereignis festgelegt wird.

Die Emittentin wird den Kündigungsbetrag innerhalb von fünf Bankgeschäftstagen nach dem Tag der Bekanntmachung gemäß § 9 an die CBF zur Weiterleitung an die Zertifikatsinhaber überweisen.

(5) Berechnungen, Entscheidungen und Feststellungen nach den vorstehenden Absätzen werden durch die Zertifikatsstelle (§ 8) im Namen der Emittentin vorgenommen und sind für alle Beteiligten bindend, sofern nicht ein offensichtlicher Fehler vorliegt.

§ 5
Ausübung der Zertifikatsrechte

Die Zertifikatsrechte gelten, vorbehaltlich einer Marktstörung gemäß § 7, ohne weitere Voraussetzung nach Maßgabe der Bestimmungen in § 1 am Bewertungstag, bzw. falls dieser Tag kein Börsengeschäftstag ist, am unmittelbar folgenden Börsengeschäftstag als ausgeübt ("automatische Ausübung") und erlöschen mit Zahlung des Abrechnungsbetrages.

§ 6
Zahlung des Abrechnungsbetrages

(1) Die Emittentin wird den Abrechnungsbetrag am Fälligkeitstag zahlen. Sämtliche gemäss den Zertifikatsbedingungen zahlbaren Beträge werden von der Emittentin über die Zahlstelle (§ 8) gezahlt und zwar durch Überweisung an die CBF zur Weiterleitung an die Zertifikatsinhaber.

(2) Der Abrechnungsbetrag wird durch die Emittentin berechnet und ist endgültig und für alle Beteiligten bindend, sofern nicht ein offensichtlicher Fehler vorliegt.

(3) Alle im Zusammenhang mit der Zahlung des Abrechnungsbetrages anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Zertifikatsinhaber zu tragen und zu zahlen. Die Emittentin bzw. die

Zahlstelle ist berechtigt, von dem Abrechnungsbetrag etwaige Steuern oder Abgaben einzubehalten, die von dem Zertifikatsinhaber gemäß vorstehendem Satz zu zahlen sind. Es handelt sich hierbei in der Bundesrepublik Deutschland um die Kapitalertragsteuer und den Solidaritätszuschlag sowie alle künftig in der Bundesrepublik Deutschland anfallenden Steuern und Abgaben bzw. alle gegenwärtig oder künftig in der Republik Österreich anfallenden Steuern und Abgaben sowie solche, die gegenwärtig und künftig in den Niederlanden zu zahlen sind.

§ 7
Marktstörungen

(1) Wenn nach Auffassung der Emittentin am Startkurs-Festlegungstag oder am Bewertungstag zum Zeitpunkt der Feststellung des Startkurses bzw. des Bewertungskurses eine Marktstörung, wie in Absatz (2) definiert, vorliegt, wird der Startkurs-Festlegungstag bzw. der Bewertungstag vorbehaltlich Absatz (3) auf den nächstfolgenden Börsengeschäftstag, an dem keine Marktstörung mehr vorliegt, verschoben. Bei einer Verschiebung des Bewertungstages wird der Fälligkeitstag entsprechend angepasst. Die Emittentin wird sich bemühen, den Beteiligten unverzüglich gemäß § 9 mitzuteilen, dass eine Marktstörung eingetreten ist. Eine Pflicht zur Mitteilung besteht jedoch nicht.

(2) Eine "**Marktstörung**" bedeutet

(a) die Suspendierung oder wesentliche Einschränkung des Handels während der letzten Stunde vor dem Zeitpunkt, zu dem ohne die Marktstörung der Startkurs bzw. der Bewertungskurs festgestellt worden wäre (i) der im Referenzindex enthaltenen Referenzwerte an der Börse, sofern diese Referenzwerte mindestens 20 % der Börsenkapitalisierung aller Referenzwerte darstellen, die jeweils im Referenzindex an der Börse einbezogen sind oder (ii) von auf den Referenzindex bezogenen Terminkontrakten oder Optionskontrakten an der Terminbörse,

(b) ein Ereignis, das die Möglichkeit von Marktteilnehmern während der letzten Stunde vor dem Zeitpunkt zu dem ohne die Marktstörung der Startkurs bzw. Bewertungskurs festgestellt worden wäre, unterbricht oder beeinträchtigt (i) Geschäfte in Referenzwerten zu tätigen, die mindestens 20 % der Börsenkapitalisierung aller Referenzwerte darstellen, oder Marktpreise für diese Referenzwerte zu erhalten, oder (ii) Geschäfte in von auf den Referenzindex bezogenen Terminkontrakten oder Optionskontrakten an der Terminbörse zu tätigen oder

(c) dass die Börse in Bezug auf Referenzwerte, die mindestens 20 % der Börsenkapitalisierung aller Referenzwerte darstellen, oder die Terminbörse vor ihrem regulären Handelsschluss schließt. Das gilt nicht, wenn die Börse oder Terminbörse den Handelsschluss mindestens eine Stunde vor dem tatsächlichen regulären Handelsschluss oder, wenn dieser Zeitpunkt früher liegt, dem letzten Zeitpunkt für die Ordereingabe bei der Börse oder Terminbörse zur Ausführung zum Bewertungszeitpunkt an dem betreffenden Handelstag ankündigt.

(3) Wenn der Startkurs-Festlegungstag bzw. der Bewertungstag um mehr als acht Börsengeschäftstage nach Ablauf des Startkurs-Festlegungstages bzw. des Bewertungstages verschoben worden ist und auch an diesem Tag die Marktstörung fortbesteht, dann gilt dieser Tag als Startkurs-Festlegungstag bzw. Bewertungstag, wobei die Emittentin den Startkurs bzw. den Bewertungskurs bestimmt, indem sie die Berechnungsweise und -methode des Referenzindex zugrundelegen wird, die unmittelbar vor Eintritt der Marktstörung galt und dabei die Referenzwerte mit dem an der Börse an diesem Tag zu dem für den Startkurs-Festlegungszeitpunkt bzw. Bewertungskurs-Festlegungszeitpunkt definierten Kurs bewerten. Sofern die Marktstörung darauf beruht, dass eine Marktstörung in Bezug auf einen einzelnen Referenzwert aufgetreten ist, so wird die Emittentin den Kurs des betroffenen Referenzwertes nach billigem Ermessen (§ 315 BGB) bestimmen.

§ 8
Zertifikatsstelle und Zahlstellen

(1) Die BNP PARIBAS Niederlassung Frankfurt am Main, ist die Zertifikatsstelle (die "Zertifikatsstelle"). Die BNP PARIBAS Securities Services Zweigniederlassung Frankfurt am Main ist die Zahlstelle in der

Bundesrepublik Deutschland und die Schoellerbank Aktiengesellschaft, Renngasse 3, A-1010 Wien, Österreich, die Zahlstelle in der Republik Österreich (die "Zahlstellen"). Die Emittentin ist berechtigt, jederzeit die Zertifikatsstelle bzw. Zahlstellen durch eine andere Bank oder ein anderes Finanzdienstleistungsinstitut, die bzw. das ihre/seine Hauptniederlassung oder eine Zweigstelle in Frankfurt am Main bzw. in der Republik Oesterreich unterhält, zu ersetzen, eine oder mehrere zusätzliche Zertifikats- bzw. Zahlstellen zu bestellen und deren Bestellung zu widerrufen. Ersetzung, Bestellung und Widerruf werden unverzüglich gemäß § 9 bekanntgemacht.

(2) Die Zertifikatsstelle und die Zahlstellen sind berechtigt, jederzeit ihr Amt als Zertifikatsstelle bzw. Zahlstelle niederzulegen. Die Niederlegung wird nur wirksam mit der Bestellung einer anderen Bank oder ein anderes Finanzdienstleistungsinstitut zur Zertifikatsstelle bzw. Zahlstelle die bzw. das ihre/seine Hauptniederlassung oder eine Zweigstelle in Frankfurt am Main bzw. in der Republik Österreich unterhält. Niederlegung und Bestellung werden unverzüglich gemäß § 9 bekanntgemacht.

(3) Die Zertifikatsstelle und die Zahlstellen handeln ausschließlich als Erfüllungsgehilfe der Emittentin und haben keinerlei Pflichten gegenüber den Zertifikatsinhabern. Die Zertifikatsstelle und die Zahlstellen sind von den Beschränkungen des § 181 BGB und etwaigen gleichartigen Beschränkungen des anwendbaren Rechts anderer Länder befreit.

(4) Weder die Emittentin noch die Zertifikatsstelle noch die Zahlstellen sind verpflichtet, die Berechtigung der Einreicher von Zertifikaten zu prüfen.

§ 9
Bekanntmachungen

Bekanntmachungen, welche die Zertifikate betreffen, werden in einem überregionalen Börsenpflichtblatt und, sofern rechtlich erforderlich, im Amtsblatt der Wiener Zeitung sowie im Bundesanzeiger veröffentlicht.

§ 10
Aufstockung/Rückkauf

(1) Die Emittentin ist berechtigt, jederzeit weitere Zertifikate mit gleicher Ausstattung zu begeben, so daß sie mit den Zertifikaten zusammengefaßt werden, eine einheitliche Emission mit ihnen bilden und ihre Anzahl erhöhen. Der Begriff "Zertifikate" umfaßt im Fall einer solchen Aufstockung auch solche zusätzlich begebenen Zertifikate.

(2) Die Emittentin hat jederzeit während der Laufzeit der Zertifikate das Recht, Zertifikate über die Börse oder durch außerbörsliche Geschäfte zu einem beliebigen Preis zurückzukaufen. Die Emittentin ist nicht verpflichtet, die Zertifikatsinhaber davon zu unterrichten. Die zurückerworbenen Zertifikate können entwertet, gehalten, weiterveräußert oder von der Emittentin in anderer Weise verwendet werden.

§ 11
Ersetzung der Emittentin

(1) Die Emittentin ist jederzeit berechtigt, ohne Zustimmung der Zertifikatsinhaber eine andere Gesellschaft als die Schuldnerin (die "Neue Emittentin") hinsichtlich aller Verpflichtungen aus oder im Zusammenhang mit den Zertifikaten zu ersetzen, sofern

(a) die Neue Emittentin durch Vertrag mit der Emittentin alle Verpflichtungen der Emittentin aus oder im Zusammenhang mit den Zertifikaten übernimmt, und sich verpflichtet hat, jeden Zertifikatsinhaber wegen aller Steuern, Abgaben, Veranlagungen oder behördlicher Gebühren schadlos zu halten, die ihm aufgrund der Ersetzung der Emittentin durch die Neue Emittentin auferlegt werden,

(b) die Emittentin unbedingt und unwiderruflich zu Gunsten der Zertifiktasinhaber die Erfüllung aller von der Neuen Emittentin zu übernehmenden Verpflichtungen garantiert hat und der Text dieser Garantie gemäß § 9 veröffentlicht wurde,

(c) die Garantie der BNP Paribas S.A. oder deren Rechtsnachfolgerin gemäß § 3 Absatz (2) die Verpflichtungen der Neuen Emittentin gegenüber den Zertifikatsinhabern in gleicher Weise absichert wie die Verpflichtungen der Emittentin gegenüber den Zertifikatsinhabern, und

(d) die Neue Emittentin alle etwa notwendigen Genehmigungen der Behörden des Landes, in dem sie ihren Sitz hat, erhalten hat.

Mit Erfüllung vorgenannter Bedingungen tritt die Neue Emittentin in jeder Hinsicht an die Stelle der Emittentin und die Emittentin wird von allen mit der Funktion als Emittentin zusammenhängenden Verpflichtungen gegenüber den Zertifikatsinhabern aus oder im Zusammenhang mit den Zertifikaten befreit.

(2) Im Falle einer solchen Schuldnerersetzung gilt jede in diesen Zertifikatsbedingungen enthaltene Bezugnahme auf die Emittentin fortan als Bezugnahme auf die Neue Emittentin.

(3) Die Ersetzung der Emittentin wird unverzüglich gemäß § 9 durch Erklärung der Emittentin und der Neuen Emittentin bekannt gemacht.

§ 12
Verschiedenes

(1) Form und Inhalt der Zertifikate sowie aller Rechte und Pflichten aus den Zertifikaten bestimmen sich in jeder Hinsicht nach dem Recht der Bundesrepublik Deutschland.

(2) Erfüllungsort ist Frankfurt am Main.

(3) Gerichtsstand für alle Streitigkeiten aus oder im Zusammenhang mit den Zertifikaten ist Frankfurt am Main. Die Zertifikatsinhaber können ihre Ansprüche jedoch auch vor allen anderen zuständigen Gerichten geltend machen. Die Emittentin unterwirft sich hiermit der Gerichtsbarkeit der nach diesem Absatz zuständigen Gerichte.

(4) Für etwaige Streitigkeiten oder sonstige Verfahren vor deutschen Gerichten bestellt die Emittentin die Zertifikatsstelle zu ihrem Zustellungsbevollmächtigten in Deutschland. Die Emittentin wird einen Ersatzzustellungsbevollmächtigten mit einer Zustellungsanschrift in Deutschland bestellen, wenn der Zustellungsbevollmächtigte diese Funktion nicht länger wahrnimmt oder über keine zustellungsfähige Anschrift mehr in Deutschland verfügt. Die Bestellung eines Ersatzzustellungsbevollmächtigten wird unverzüglich gemäß § 9 bekannt gemacht.

(5) Die Emittentin ist berechtigt, in diesen Zertifikatsbedingungen ohne Zustimmung der Zertifikatsinhaber (a) offensichtliche Schreib- oder Rechenfehler oder sonstige offensichtliche Irrtümer zu berichtigen sowie (b) widersprüchliche oder lückenhafte Bestimmungen zu ändern bzw. zu ergänzen, wobei in den unter (b) genannten Fällen nur solche Änderungen bzw. Ergänzungen zulässig sind, die unter Berücksichtigung der Interessen der Emittentin für die Zertifikatsinhaber zumutbar sind, d.h. welche die finanzielle Situation des Zertifikatsinhabers nicht wesentlich verschlechtern bzw. die Ausübungsmodalitäten nicht wesentlich erschweren. Änderungen bzw. Ergänzungen dieser Zertifikatsbedingungen werden unverzüglich gemäß §9 bekannt gemacht.

(6) Sollte eine Bestimmung dieser Zertifikatsbedingungen ganz oder teilweise unwirksam sein oder werden, so bleiben die übrigen Bestimmungen wirksam. Die unwirksame Bestimmung ist durch eine wirksame Bestimmung zu ersetzen, die den wirtschaftlichen Zwecken der unwirksamen Bestimmung soweit rechtlich möglich Rechnung trägt.

****

Die Garantie

Die Garantin hat eine Garantie in der nachstehenden Form abgegeben:

GARANTIE

der

BNP Paribas SA
Paris, Frankreich

zu Gunsten der Inhaber der Zertifikate
(die "Zertifikate"),

die von

BNP Paribas Arbitrage Issuance B.V.
Amsterdam, Niederlande
(mit beschränkter Haftung in den Niederlanden inkorporiert)

im Rahmen des Prospektes (der "Prospekt")
vom 1. Februar 2005
für BONUS ZERTIFIKATE 04/05 – 04/11
bezogen auf den Dow Jones EURO STOXX 50^{SM} Kursindex
(ISIN DE000BNP0N32)

emittiert werden;
jeweils in der von Zeit zu Zeit geltenden geänderten, erweiterten oder ersetzten Fassung.

PRÄAMBEL:

(A) Die Bedingungen der Zertifikate (die "Zertifikatsbedingungen"), die im Rahmen des Prospektes vom 1. Februar 2005 für die BONUS ZERTIFIKATE 04/05 – 04/11 emittiert werden, unterstehen deutschem Recht.

(B) BNP Paribas SA, Paris, Frankreich (die "Garantin") beabsichtigt, mit dieser Garantie die Zahlungsverpflichtungen der Emittentin aus oder im Zusammenhang mit der Emission der Zertifikate im Rahmen des Prospektes zu garantieren.

ES WIRD FOLGENDES VEREINBART:

(1) Die Garantin garantiert hiermit jedem Inhaber eines Zertifikates (jeweils ein "Zertifikatsinhaber"), das zusammen mit der Ausstellung dieser Garantie oder jederzeit nach Ausstellung der Garantie von der Emittentin im Rahmen des Prospektes emittiert wird, die vollständige und zeitgerechte Zahlung aller Verbindlichkeiten der Emittentin aus oder im Zusammenhang mit dem jeweiligen Zertifikat, in Übereinstimmung mit den Zertifikatsbedingungen.

(2) Diese Garantie stellt eine direkte, unbedingte, nicht-nachrangige und unbesicherte Verpflichtung der Garantin dar, die gleichranging (*pari passu*) zu allen anderen ungesicherten Verbindlichkeiten (mit Ausnahme von Verbindlichkeiten, denen aufgrund zwingender gesetzlicher Vorschriften Vorrang zukommt) der Garantin (mit Ausnahme von eventuellen Nachrangverbindlichkeiten der Garantin) ist.

(3) Die Verpflichtungen der Garantin unter dieser Garantie (i) sind separat und unabhängig von den Verpflichtungen der Emittentin im Zusammenhang mit den Zertifikaten, (ii) bestehen unabhängig von der Rechtswirksamkeit und/oder Durchsetzbarkeit der Zertifikatsbedingungen und (iii) bestehen unabhängig von jeglichen Ereignissen, Bedingungen und Umständen gleich welcher Natur fort, soweit nicht die vollständige und

unwiderrufliche Befriedigung aller Zahlungsansprüche aus oder im Zusammenhang mit den jeweiligen Zertifikaten eingetreten ist.

(4) Die Verpflichtungen der Garantin aus dieser Garantie gelten ohne weiteres und ohne weitere Erklärung, auch im Hinblick auf die Verpflichtungen einer neuen Emittentin, die nicht mit der Garantin identisch ist, und die im Zusammenhang mit dem betreffenden Zertifikat durch eine Ersetzung der Emittentin gemäß den Zertifikatsbedingungen entstehen.

(5) Diese Garantie und alle hierin enthaltenen Vereinbarungen stellen einen Vertrag zu Gunsten der Zertifikatsinhaber als begünstigte Dritte im Sinne des §328 Abs. 1 BGB dar und berechtigten jeden jeweiligen Zertifikatsinhaber, die Erfüllung der Verpflichtungen der Garantin aus der Garantie direkt von der Garantin zu verlangen und gegen diese durchzusetzen.

(6) Die Zertifikatsstelle handelt nicht als Treuhänderin oder in vergleichbarer Stellung für die Zertifikatsinhaber.

(7) Begriffe, die in dieser Garantie verwendet und nicht anderweitig definiert werden, haben die ihnen in den Zertifikatsbedingungen zugewiesene Bedeutung.

(8) Diese Garantie unterliegt dem Recht der Bundesrepublik Deutschland.

(9) Das Original dieser Garantie wird der Zertifikatsstelle ausgehändigt und bei dieser aufbewahrt.

(10) Die Garantin stimmt unwiderruflich zu, dass sämtliche gerichtliche Verfahren aus oder im Zusammenhang mit den Zertifikaten vor den Gerichten in Frankfurt am Main, Bundesrepublik Deutschland, ausgetragen werden können. Die Garantin verzichtet hiermit unwiderruflich, soweit gesetzlich zulässig, auf jegliche Einwendung, die ihr derzeit oder zukünftig gegen die Anrufung dieser Gerichte zusteht oder zustehen könnte und unterwirft sich unwiderruflich der Zuständigkeit der genannten Gerichte in den betreffenden Verfahren.

(11) Jeder Zertifikatsinhaber kann in gerichtlichen Verfahren gegen die Garantin oder in Verfahren, in denen ein Zertifikatsinhaber und die Garantin Partei sind, durch Vorlage einer Kopie dieser Garantie, die von vertretungsberechtigten Mitarbeitern der Zertifikatsstelle als mit dem Original der Garantie übereinstimmend schriftlich bestätigt wurde, die Rechte aus dieser Garantie geltend machen, ohne das Original dieser Garantie in solchen Verfahren vorlegen zu müssen.

1. Februar 2005
BNP Paribas SA

1. Februar 2005
BNP Paribas Arbitrage Issuance B.V.

THE ISSUER

General Description of the Issuer

The Issuer

General Description

Name, registered office and date of incorporation

1. The name of the Company is:

   BNP Paribas Arbitrage Issuance B.V. (formerly SOCAGEF BV).

2. The Company is a limited company under Dutch law ("besloten vennootschap met beperkte aansprakelijkheid"), having its registered office at Herengracht 477, NL - 1017 B S Amsterdam, the Netherlands and registered with the Commercial Register under number 33215278.

3. The Company was incorporated on 10th November, 1989.

Objects

The Company's objects are:

a. to borrow, lend out and collect monies, including but not limited to the issue of debentures, share purchase warrants, certificates of debt and other securities or debt instruments, to issue and acquire financial instruments of any nature and to enter into related agreements;

b. to finance enterprises and companies;

c. to establish and to in any way participate in, manage and supervise enterprises and companies;

d. to offer advice and to render services to enterprises and companies with which the company forms a group of companies, and to third parties;

e. to grant security, to bind the company and to encumber assets of the company for the benefit of enterprises and companies with which the company forms a group of companies, and of third parties;

f. to acquire, manage, exploit and dispose of registered property and asset value in general;

g. to trade in currencies, securities and asset value in general;

h. to exploit and trade in patents, trademark rights, licences, know-how and other industrial rights of ownership;

i. to engage in industrial, financial and commercial activities of any nature, and all other things as may be deemed incidental or conducive to the attainment of the above objects, in the broadest sense of the word.

Share capital

The authorised share capital is composed of 225,000 Euros divided into 225,000 shares of one Euro each. The issued share capital is 45,379 Euros, divided in 45,379 shares of one Euro each.

All shares are registered shares and no share certificates have been issued.

Management of the Issuer

BNP Paribas Trust B.V., a private company with limited liability under Dutch law, having its registered address at Herengracht 477, NL - 1017 B S Amsterdam, the Netherlands and registered with the commercial register under number 33191041 is the sole managing director of the Issuer (BNP Paribas Arbitrage Issuance B.V.).

Within the limits of the constitutional documents, the Manager is responsible for the management of the Issuer.

Management of BNP Paribas Trust B.V.

The management of BNP Paribas Trust B.V. is composed of a Management Board with one or several members appointed by the general meeting of shareholders. The current members of the Management Board are:

Managing directors of BNP Paribas Trust B.V., are:

Name	Position
Michel Marie Joseph de Vibraye	Director and Chairman of the Board
Joost A.C. Niessen	Director and Board Member
Peter van de Velden	Director and Board Member
Noël M.A.E. Didier	Director and Board Member
Han E. Sijsling	Managing director and Board Member

Effective 7 April 2004 Director and Chairman of the Board Paul-François Gauvin has been replaced by Michel Marie Joseph de Vibraye.

All Managing Directors having their business address at Herengracht 477, NL - 1017 B S Amsterdam, the Netherlands.

Within the limits of the constitutional documents, the Management Board is responsible for the management of BNP Paribas Trust B.V.

Business activities of the Issuer

The principal activity of the Issuer is to issue warrants and certificates.

Group membership, Delegation of management

BNP Paribas is the sole shareholder of the Issuer. A further description of the group is set out in connection with the description of the Guarantor. The Company is an independently operating company. By an agreement dated 27th December, 2000 entitled "Management and Indemnity Agreement", BNP Paribas has delegated the management of the Company to BNP Paribas Trust B.V., a company established and existing under the laws of the Netherlands, with its registered office at Herengracht 477, NL - 1017 B S, Amsterdam. Messrs. De Vibraye, Niessen, Sijsling, Van der Velden, are the Directors of BNP Paribas Trust B.V.and have as such the power to take all necessary measures in relation to the issue of securities of BNP Paribas Arbitrage Issuance B.V.

Drawing up of annual accounts

The financial year is the calendar year.

Adoption of annual accounts

The general meeting of shareholders will adopt the annual accounts.

Annual auditor

PricewaterhouseCoopers Accountants N.V., Amsterdam, The Netherlands.

Recent Development and Prospects of the Issuer

During the year 2003, the Issuer has carried out approximately 1,608 issues of derivative products in particular warrants related to shares and indices. Furthermore 91 certificates and 1 bond issue ((Blue Fox II) nominal amount of Euro 20,000,000) have been issued. Besides the French German and Asian markets, the Issuer has approached the Luxembourg market as well during the course of 2003. The year 2003 results are at the same level as year 2002.

In year 2004, the Issuer has issued approximately the same amount of warrants and certificates and some more bond issues.
The Issuer has done six more bond issues for the Austrian market since the beginning of 2004:
Snowball Anleihe 2003/2010, nominal amount Euro 20,000,000 incl. an increase
Blue Fox III Anleihe 2004/2012, nominal amount of Euro 20,000,000,
Börsengarantie 10 % Plus 2004/2009, amount of Euro 30,000,000
Börsengarantie 2004 Dynamik (2004/2009), amount of Euro 30,000,000.
Garantie Dynamik 10/2004-09/2009, amount of Euro 20,000,000
Garantie 10% Plus 10/2004-09/2009, amount of Euro 20,000,000

The Issuer is the issuing vehicle of BNP PARIBAS ARBITRAGE for derivatives products and it is intended to continue in 2005 the issuing activities on the same level as in 2002, 2003 and 2004. Due to the hedging of all issues, no major profits will remain with the Issuer and no material costs are incurred by it at any rate; accordingly, no significant changes have occured in relation to the Issuer's latest financial statements and the financial statements for the financial year 2004 will not substantially differ from the financial statements for the financial year 2003 and 2002.

Financial Statements
Annual Report 2003

BNP Paribas Arbitrage Issuance B.V.

Amsterdam
The Netherlands

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Managing Director's Report

Accounts for the financial period ended December 31, 2003

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- Profit and loss account
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- Statutory arrangements concerning the appropriation of profits
- Appropriation of the result for the year ended December 31, 2003
- Auditors' report

Managing Director's report

The principal objectives of the Company are to issue warrants, certificates, other securities and to issue and acquire financial instruments of any nature and to enter into related agreements.
The Company issues securities for account of various entities of the BNP Paribas Group.

The net profit for the financial year 2003 was EUR 1,212 (2002: profit EUR 59,638).

No major changes are anticipated for the year 2004.

March 5, 2004

The Managing Director,

BNP Paribas Trust B.V.

BALANCE SHEET AT DECEMBER 31, 2003
(after appropriation of the net result)

	31.12.2003	31.12.2002
	EUR	EUR
ASSETS		
Financial fixed assets		
OTC contracts	435,293,517	110,600,000
Current assets		
OTC contracts	4,311,600,749	4,743,697,140
Receivables	246,675	195,240
Bank	368,096	295,025
	4,312,215,520	4,744,187,405
TOTAL ASSETS	**4,747,509,037**	**4,854,787,405**
SHAREHOLDER'S EQUITY AND LIABILITIES		
Capital and reserves		
Share capital issued and paid up	45,379	45,379
Retained earnings	7,025	5,813
	52,404	51,192
Long term liabilities		
Securities premiums	435,293,517	110,600,000
Current liabilities		
Securities premiums	4,311,600,749	4,743,697,140
Other liabilities	562,367	439,073
	4,312,163,116	4,744,136,213
TOTAL EQUITY AND LIABILITIES	**4,747,509,037**	**4,854,787,405**

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2003

	2003	2002
	EUR	EUR
Operating income		
Results securities	8,362,074,703	4,863,723,590
Results OTC	(8,362,074,703)	(4,863,723,590)
	0	0
Other income	254,156	200,944
	254,156	200,944
Issuing expenses		
Reimbursed issuing expenses	1,283,240	843,478
Disbursements for issuing activities	(1,283,240)	(832,418)
	254,156	212,004
Gross margin		
Operating costs	(252,206)	(150,968)
Net financial result	250	483
Result before taxation	2,200	61,519
	(988)	(1,881)
Corporate income tax		
Result after taxation	**1,212**	**59,638**

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2003

	2003	2002
	EUR	EUR
Issuing of securities/OTC	0	0
Received reimbursed issuing expenses	1,272,696	914,617
Received reimbursed general operating expenses	206,444	65,678
Received interest & paid similar expenses	181	483
Paid disbursements for issuing activities	(1,198,515)	(628,198)
Paid operating costs	(206,878)	(63,816)
Paid corporate income tax	(857)	(1,305)
Cash flow from operating activities	73,071	287,459
Cash flow from investment activities	0	0
Cash flow from financing activities	0	0
Net cash flow	73,071	287,459
Exchange and translation differences on cash and cash equivalents	0	0
Increase of cash and cash equivalents	73,071	287,459
Movements in cash and cash equivalents:		
Cash and cash equivalents at January 1	295,025	7,566
In/(decrease) cash and cash equivalents	73,071	287,459
Cash and cash equivalents at December 31	**368,096**	**295,025**

NOTES TO THE FINANCIAL STATEMENTS AT DECEMBER 31, 2003

GENERAL

BNP Paribas Arbitrage Issuance B.V. (the Company), having its statutory seat in Amsterdam, was incorporated under the law of the Netherlands on November 10, 1989 as a private limited liability company.
All outstanding shares of the Company are owned by BNP Paribas S.A., Paris, France.

The principal objectives of the Company are to issue securities, such as warrants, certificates, private placements and to issue and acquire financial instruments of any nature and to enter into related agreements.

SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation
The annual accounts of the Company are prepared in accordance with accounting principles generally accepted in The Netherlands and in conformity with Title 9, Book 2 of the Netherlands Civil Code. The accounting principles of the Company are summarised below. These accounting principles have all been applied consistently throughout the financial year and the preceding year.

Accounting convention
The accounts are prepared under the historical cost convention modified by the translation of foreign currencies.

Income recognition
The result represents the difference between the value of the services rendered and the costs and other charges for the year. The results on transactions are recognised in the year they are realised; losses are taken as soon as they are foreseeable. Income and expenses are allocated to the year to which they relate.

If at maturity securities are exercised against the company, the company fulfils its obligation according to the contract with BNP Paribas S.A. and/or BNP Paribas Arbitrage S.N.C. as the case maybe. Premiums accrued (debit and credit) are released to the profit and loss account simultaneously. If securities are not exercised at maturity, premiums are released simultaneously to the profit and loss account as well, without any further future obligation for the company.

Valuation of assets and liabilities
Unless otherwise indicated, assets and liabilities are stated at the cost at which they were acquired or incurred.

Foreign currencies
Balance sheet items relating to assets and liabilities denominated in currencies other than the euro are translated at the rate of exchange prevailing on balance sheet date, except insofar as the exchange risk has been hedged. In those cases valuation occurs at the forward rates agreed upon. The resulting exchange rate differences are credited or charged to the profit and loss account. Transactions in foreign currency during the reporting period have been incorporated at the rate of settlement.

The exchange rate used by the Company at balance sheet date is:
EUR 1 = HKD 9.8049
EUR 1 = USD 1.2630
EUR 1 = GBP 0.7048
EUR 1 = CHF 1.5579

Corporate income tax
Corporate income tax is calculated on the operating result as disclosed in the profit and loss account, allowing for tax-exempted items and items which are non-deductible, either in whole or in part, and are calculated at the actual corporate income tax rate.

NOTES TO THE BALANCE SHEET

OTC contracts

The securities exposure to market parties has been hedged by the Company via OTC contracts with BNP Paribas S.A. or BNP Paribas Arbitrage S.N.C.

The private placements concern warrants and certificates which are not placed via stock exchanges but directly to third parties. They are also hedged via OTC contracts with BNP Paribas S.A. or BNP Paribas Arbitrage S.N.C.

The specification of the OTC contracts is as follows:

Markets	Expiration > 5 years	Expiration 1-5 years	Expiration <1 year	Total
re.Warrants:	EUR	EUR	EUR	EUR
Euronext	0	57,500,000	2,800,042,046	2,857,542,046
Luxembourg	3,241,520	66,605,313	64,033,964	133,880,797
Frankfurt	0	111,530,000	508,057,000	619,587,000
Hong Kong	0	10,094,953	270,310,252	280,405,205
re.Certificates:				
Euronext	0	0	135,641,000	135,641,000
Luxembourg	0	2,822,000	6,066,138	8,888,138
Frankfurt	0	45,000,000	0	45,000,000
Austria	18,000,000	0	0	18,000,000
Hong Kong	0	10,000,000	0	10,000,000
re.Private placements:				
Europe	0	105,499,731	527,450,349	632,950,080
Hong Kong	0	5,000,000	0	5,000,000
	21,241,520	414,051,997	4,311,600,749	4,746,894,266

The OTC contracts regarding warrants issued via the stock exchange of Hong Kong, valued at EUR 280,405,205, can be specified in Hong Kong dollars as follows:

Hong Kong In HKD	Expiration > 5 years	Expiration 1-5 years	Expiration <1 year	Total
	HKD	HKD	HKD	HKD
re.Warrants	0	98,980,000	2,650,365,000	2,749,345,000

The OTC contracts regarding the certificates and private placements of Hong Kong were denominated in euro.

OTC contracts which will expire within one year have been represented under current assets.

Receivables

	31.12.2003	31.12.2002
	EUR	EUR
Debtors	47,105	0
To be invoiced	199,148	194,818
Other receivables	422	422
	246,675	195,240

Receivables do not exceed a remaining term of one year.
The amounts regarding debtors and to be invoiced concerns only and wholly BNP Paribas Group companies and no provision is deemed necessary.
Other receivables concerns corporate income tax, which can be carried back to the year 1999, due to the fiscal loss in the year 2000.

Bank
This amount corresponds with the current account with BNP Paribas, Amsterdam and is freely at the disposal of the company.

Capital and reserves
Share capital issued and paid-up:
The Company's authorised share capital amounts to EUR 225,000 (225,000 common shares of EUR 1 each), of which 45,379 shares are issued and fully paid-up.
During the financial year under review, there have been no changes in the authorised, issued or paid in capital.

Movements can be specified as follows:

	Share capital	Retained earnings	**Total**
	EUR	EUR	EUR
December 31, 2002	45,379	5,813	51,192
Net result for the year 2003	0	1,212	1,212
December 31, 2003	45,379	7,025	52,404

Securities premiums
The Company establishes securities programmes and will issue call and put warrants/certificates exclusively to BNP Paribas and/or BNP Paribas Arbitrage S.N.C., exercisable on the date specified in the specific pricing supplement, pursuant to the terms and conditions of such securities programmes, as at the same time BNP Paribas or BNP Paribas Arbitrage S.N.C. has agreed to purchase the securities. BNP Paribas distributes the securities to third parties. BNP Paribas S.A. act as guarantor for the securities programmes.

According to the hedging agreement, upon each issue of securities by the Company, BNP Paribas S.A. or BNP Paribas Arbitrage S.N.C. undertakes to enter into an OTC option with the Company, such OTC option having the same characteristics as the securities' issue.
Netting agreements between the Company and BNP Paribas S.A. and BNP Paribas Arbitrage S.N.C. have been drawn up for all flows resulting from securities and OTC's to avoid that payments have to be made for these flows. These administrative procedures (absence of cash flow) are reflected in the cash flow statement of the Company.

The specification is as follows:

Markets	Expiration > 5 years	Expiration 1-5 years	Expiration <1 year	Total
Warrants:	EUR	EUR	EUR	EUR
Euronext	0	57,500,000	2,800,042,046	2,857,542,046
Luxembourg	3,241,520	66,605,313	64,033,964	133,880,797
Frankfurt	0	111,530,000	508,057,000	619,587,000
Hong Kong	0	10,094,953	270,310,252	280,405,205
Certificates:				
Euronext	0	0	135,641,000	135,641,000
Luxembourg	0	2,822,000	6,066,138	8,888,138
Frankfurt	0	45,000,000	0	45,000,000
Austria	18,000,000	0	0	18,000,000
Hong Kong	0	10,000,000	0	10,000,000
Private placements:				
Europe	0	105,499,731	527,450,349	632,950,080
Hong Kong	0	5,000,000	0	5,000,000
	21,241,520	414,051,997	4,311,600,749	4,746,894,266

The warrants issued via the stock exchange of Hong Kong, valued at EUR 280,405,205 can be specified in Hong Kong dollars as follows:

Hong Kong In HKD	Expiration > 5 years	Expiration 1-5 years	Expiration <1 year	Total
	HKD	HKD	HKD	HKD
Warrants	0	98,980,000	2,650,365,000	2,749,345,000

The premiums of the certificates and private placements of HongKong were denominated in euro.
Securities contracts which will expire within one year have been represented under current liabilities.

Current liabilities

	31.12.2003	31.12.2002
Other liabilities:	EUR	EUR
Provision corporate income tax 2003	638	1,881
Paid on provisional assessment	0	(1,305)
Corporate income tax payable	638	576
Current account BNP Paribas S.A.	41,877	130,691
Issuing expenses payable	377,759	204,220
Audit fee	10,000	7,950
Tax advisory fee	7,500	7,321
Other fees	0	27,602
Bookkeeping fee	66,020	26,615
Management fee	58,573	34,098
	562,367	439,073

The current account BNP Paribas S.A. bears no interest as in previous years.

The issuing expenses payable concern cost specified by BNP Paribas S.A. or BNP Paribas Arbitrage S.N.C. as issuing expenses, not yet paid by the Company to external parties.

NOTES TO THE PROFIT & LOSS ACCOUNT

Gross margin

Result securities:
This concerns securities premiums exercised in 2003.

Result OTC:
This concerns the relating OTC contract with BNP Paribas S.A. and BNP Paribas Arbitrage S.N.C. concerning the securities exercised in 2003.

Other income:
This concerns general and administrative expenses of the Company, regarding the financial years 2002 and 2003, increased with an upcount of 10 %, based on a cost plus agreement and concluded for an indefinite period of time. These costs will be or have been invoiced by the Company to BNP Paribas S.A. and BNP Paribas Arbitrage S.N.C.

Issuing expenses:
This concerns all expenses related to the issuing of the securities, paid by the Company, and invoiced or to be invoiced to BNP Paribas S.A. and BNP Paribas Arbitrage S.N.C.

Operating costs

This amount can be specified as follows:

	2003	2002
	EUR	EUR
Domiciliation and management fee	73,287	66,322
Bookkeeping fee	82,556	26,553
Audit fee	11,307	10,117
Tax advisory fee	31,583	8,481
Other advisory/service fee	28,081	35,789
Notary and legal advisory fee	23,070	2,221
Chamber of Commerce	171	263
Other	2,151	1,222
	252,206	150,968

Net financial result

	2003	2002
	EUR	EUR
Interest received bank and other	2,043	1,796
Interest paid and similar charges	(1,793)	(1,313)
	250	483
Exchange difference OTC coverage Hongkong	32,171,086	7,086,090
Exchange difference securities contracts Hongkong	(32,171,086)	(7,086,090)
	250	483

Employees
The Company employs no personnel.

Corporate income tax
The corporate income tax can be specified as follows:

	EUR
Corporate income tax provision for the year	638
Corporate income tax previous year	350
Corporate income tax charged to the result	988

Financial instruments
The financial instruments that the Company uses include securities, bank accounts, receivables and current liabilities.

Primary financial instruments
The Company is of the opinion that the market value of the primary financial instruments as at period-end, does not differ significantly from the balance sheet valuation.

Credit risk
Credit risk is concentrated with parent company BNP Paribas S.A. who is the sole significant debtor.

Interest rate risk
No interest rate risk is valid.

Exchange rate risk
Purchases and sales of the Company are primarily denominated in euro. Exchange rate risks regarding securities are covered by the hedging agreement with BNP Paribas S.A.

Derivative financial instruments
The Company issues securities, which are covered back to back with OTC contracts with BNP Paribas S.A. and BNP Paribas Arbitrage S.N.C. Therefore no net exposure remains. The sum of the fair values of the issued securities and OTC's, the net position, is therefore nil. Derivative financial instruments are not used for speculative purposes.
The estimated market value of the OTC and securities indicates the amount payable or receivable in exchange for termination of the contracts as at balance sheet date without further obligations.
A detailed specification as at December 31, 2003 of outstanding amounts is as follows:

	Underlying contract volume OTC's	Estimated market value OTC's	Nominal Value OTC's
	EUR	EUR	EUR
OTC contracts with BNP Paribas Arbitrage S.N.C and BNP Paribas S.A.			
re. Warrants:			
Euronext stock exchange:			
- Up to 1 year	35,305,461,760	1,884,018,761	2,800,042,046
- From 1- 5 years	648,000,000	64,333,529	57,500,000
Luxembourg stock exchange:			
- Up to 1 year	109,836,000	44,978,687	64,033,964
- From 1- 5 years	40,771,300	5,311,277	66,605,313
- Exceeding 5 years	386,702,929	18,754,111	3,241,520
Frankfurt stock exchange			
- Up to 1 year	3,391,025,997	181,186,079	508,057,000
- From 1- 5 years	629,799,832	50,198,260	111,530,000
Hong Kong stock exchange:			
- Up to 1 year	4,635,326,225	571,701,395	270,310,252
- From 1- 5 years	50,015,808	16,624,341	10,094,953
re. Certificates:			
Euronext stock exchange:			
- Up to 1 year	3,317,400,000	140,692,718	135,641,000
Luxembourg stock exchange:			
- Up to 1 year	6,066,138	4,972	6,066,138
- From 1- 5 years	2,822,000	79,267	2,822,000
Frankfurt stock exchange:			
- From 1- 5 years	359,741,250	14,130,084	45,000,000
Austria stock exchange:			
- Exceeding 5 years	18,000,000	3,275,201	18,000,000
Hong Kongstock exchange:			
- From 1- 5 years	69,189,300	10,000,000	10,000,000
re. Private placements Europe:			
- Up to 1 year	500,000,000	500,000,000	527,450,349
- From 1- 5 years	245,145,279	52,242,996	105,499,731
re. Private placements Hong Kong:			
- From 1- 5 years	10,400,100	5,000,000	5,000,000
Total OTC contracts	49,725,703,918	3,562,531,678	4,746,894,266

and

BNP Paribas Arbitrage Issuance B.V.

	Underlying contract volume Securities	Estimated market value Securities	Nominal Value Securities
	EUR	EUR	EUR
Securities with external parties			
Warrants:			
Euronext stock exchange:			
- Up to 1 year	35,305,461,760	1,884,018,761	2,800,042,046
- From 1- 5 years	648,000,000	64,333,529	57,500,000
Luxembourg stock exchange:			
- Up to 1 year	109,836,000	44,978,687	64,033,964
- From 1- 5 years	40,771,300	5,311,277	66,605,313
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- From 1- 5 years	629,799,832	50,198,260	111,530,000
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- From 1- 5 years	50,015,808	16,624,341	10,094,953
Certificates:			
Euronext stock exchange:			
- Up to 1 year	3,317,400,000	140,692,718	135,641,000
Luxembourg stock exchange:			
- Up to 1 year	6,066,138	4,972	6,066,138
- From 1- 5 years	2,822,000	79,267	2,822,000
Frankfurt stock exchange:			
- From 1- 5 years	359,741,250	14,130,084	45,000,000
Austria stock exchange:			
- Exceeding 5 years	18,000,000	3,275,201	18,000,000
Hong Kong stock exchange:			
- From 1- 5 years	69,189,300	10,000,000	10,000,000
Private placements Europe:			
- Up to 1 year	500,000,000	500,000,000	527,450,349
- From 1- 5 years	245,145,279	52,242,996	105,499,731
re. Private placements Hong Kong:			
- From 1- 5 years	10,400,100	5,000,000	5,000,000
Total warrants/certificates contracts	49,725,703,918	3,562,531,678	4,746,894,266

March 5, 2004

The Managing Director,

BNP Paribas Trust B.V.

OTHER INFORMATION

STATUTORY ARRANGEMENTS CONCERNING THE APPROPRIATION OF PROFITS

In accordance with article 20 of the articles of association of the Company profits are at the disposal of the general meeting of shareholders.
No dividends can be declared if the shareholder's equity is less than the total of the paid in capital and the legal reserves.

APPROPRIATION OF THE RESULT FOR THE YEAR ENDED DECEMBER 31, 2003

The Managing Director proposes to the general meeting of shareholders to add the profit made by the Company during the financial year under review to the retained earnings.

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
Accountants N.V.
Prins Bernhardplein 200
1097 JB Amsterdam
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1090 GB Amsterdam
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Facsimile (020) 568 68 88

To the directors and shareholders of BNP Paribas Arbitrage Issuance B.V.

AUDITOR'S REPORT

Introduction

We have audited the financial statements of BNP Paribas Arbitrage Issuance B.V., Amsterdam for the year ended December 31, 2003. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with auditing standards generally accepted in the Netherlands. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the company as at December 31, 2003 and of the result for the year then ended in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9, Book 2 of the Netherlands Civil Code.

Amsterdam, 5 March 2004

Price waterhouse Coopers Accountants N.V.

PricewaterhouseCoopers is de handelsnaam van onder meer de volgende vennootschappen: PricewaterhouseCoopers Accountants N.V. (ingeschreven in het Handelsregister onder nummer 34180285), PricewaterhouseCoopers Belastingadviseurs N.V. (ingeschreven in het Handelsregister onder nummer 34180284), PricewaterhouseCoopers Corporate Finance & Recovery N.V. (ingeschreven in het Handelsregister onder nummer 34180287) en PricewaterhouseCoopers B.V. (ingeschreven in het Handelsregister onder nummer 34180289). Op diensten verleend door deze vennootschappen zijn Algemene Voorwaarden van toepassing, waarin onder meer aansprakelijkheidsvoorwaarden zijn opgenomen. Deze Algemene Voorwaarden zijn gedeponeerd bij de Kamer van Koophandel te Amsterdam en ook in te zien op www.pwcglobal.com/nl.

Interim Financial Statements

for the 6 months period ended June 30, 2004

BNP Paribas Arbitrage Issuance B.V.

Amsterdam
The Netherlands

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Interim Financial Statements for the 6 months period ended June 30, 2004

- Balance sheet
- Profit and loss account
- Cash flow statement
- Notes to the financial statements

Other information

- Auditors' report

BALANCE SHEET AT JUNE 30, 2004
(before appropriation of the net result)

	30.06.2004	30.06.2003
	EUR	EUR
ASSETS		
Financial fixed assets		
OTC contracts	885,638,844	154,912,733
Current assets		
OTC contracts	5,060,744,985	3,381,287,696
Receivables	727,691	392,371
Bank	126,239	136,096
	5,061,598,915	3,381,816,163
TOTAL ASSETS	**5,947,237,759**	**3,536,728,896**
SHAREHOLDER'S EQUITY AND LIABILITIES		
Capital and reserves		
Share capital issued and paid up	45,379	45,379
Retained earnings	7,025	5,813
Result for the period 1 January up to and including 30 June	36,923	13,753
	89,327	64,945
Long term liabilities		
Warrant premiums	885,638,844	154,912,733
Current liabilities		
Warrant premiums	5,060,744,985	3,381,287,696
Other liabilities	764,603	463,522
	5,061,509,588	3,381,751,218
TOTAL EQUITY AND LIABILITIES	**5,947,237,759**	**3,536,728,896**

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED JUNE 30, 2004

	Period 1 January up to and including 30 June 2004	Period 1 January up to and including 30 June 2003
	EUR	EUR
Operating income		
Result securities	4,417,749,602	4,660,765,067
Result OTC contracts	(4,417,749,602)	(4,660,765,067)
	0	0
Other income	300,425	134,836
	300,425	134,836
Issuing expenses		
Reimbursed issuing expenses	869,029	601,452
Disbursements for issuing activities	(869,029)	(600,827)
Gross margin	300,425	135,461
Operating costs	(248,656)	(116,858)
Net financial result	(182)	767
Profit before taxation	51,587	19,370
Corporate income tax	(14,664)	(5,617)
Profit after taxation	**36,923**	**13,753**

CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30, 2004

	Period 1 January up to and including 30 June 2004 EUR	**Period 1 January up to and including 30 June 2003** EUR
Cash flow from operating activities		
Issuing of securities against OTC coverage	0	0
Received reimbursed issuing expenses	688,439	414,706
Received reimbursed general operating expenses	0	118,510
Received interest & paid similar expenses	(182)	357
Paid disbursements for issuing activities	(628,865)	(546,372)
Paid operating costs	(301,249)	(38,254)
Paid corporate income tax	0	(4,290)
	(241,857)	(55,343)
Paid costs accrued ultimo 2002 re 2001	0	(103,586)
Cash flow from operating activities	(241,857)	(158,929)
Cash flow from investment activities	0	0
Cash flow from financing activities	0	0
Net cash flow	(241,857)	(158,929)
Exchange and translation differences on cash and cash equivalents	0	0
Increase/(decrease) cash and cash equivalents	(241,857)	(158,929)
Movements in cash and cash equivalents		
Cash and cash equivalents at January 1	368,096	295,025
In/(decrease) cash and cash equivalents	(241,857)	(158,929)
Cash and cash equivalents as at June 30	**126,239**	**136,096**

Netting agreements between the Company and BNP Paribas S.A. and BNP Paribas Arbitrage S.N.C. have been drawn up for all flows resulting from securities and OTC's to avoid that payments have to be made for these flows. This procedure is reflected in the cash flow statement under the heading "Issuing of securities against OTC coverage".

NOTES TO THE INTERIM FINANCIAL STATEMENTS AT JUNE 30, 2004

GENERAL

BNP Paribas Arbitrage Issuance B.V. (the Company), having its statutory seat in Amsterdam, was incorporated under the law of the Netherlands on November 10, 1989 as a private limited liability company.
All outstanding shares of the Company are owned by BNP Paribas S.A., Paris, France.

The principal objectives of the Company are to issue securities, such as warrants, certificates, private placements and to issue and acquire financial instruments of any nature and to enter into related agreements.

The financial period under review concerns the period 1 January through June 30, 2004. The statutory financial year of the Company ends on December 31, 2004.

SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Interim Financial Statements are prepared in accordance with accounting principles generally accepted in the Netherlands and in conformity with Title 9, Book 2 of the Netherlands Civil Code. The Interim Financial Statements are prepared in euro. The accounting principles of the Company are summarised below. These accounting principles have all been applied consistently throughout the financial year and the preceding year.

Accounting convention
The Interim Financial Statements are prepared under the historical cost convention modified by the translation of foreign currencies.

Income recognition
The result represents the difference between the value of the services rendered and the costs and other charges for the year. The results on transactions are recognised in the year they are realised; losses are taken as soon as they are foreseeable. Income and expenses are allocated to the year to which they relate.

If at maturity warrants are exercised against the Company, the Company fulfils its obligation according to the contract with BNP Paribas Arbitrage S.N.C. and/or BNP Paribas S.A. as the case may be. Premiums accrued (debit and credit) are released to the profit and loss account simultaneously. If securities are not exercised at maturity, premiums are released simultaneously to the profit and loss account as well, without any further future obligation for the Company.

Valuation of assets and liabilities

Unless otherwise indicated, assets and liabilities are stated at the cost at which they were acquired or incurred.

Foreign currencies

Balance sheet items relating to assets and liabilities denominated in currencies other than the euro are translated at the rate of exchange prevailing on balance sheet date, except insofar as the exchange risk has been hedged. In those cases valuation occurs at the forward rates agreed upon. The resulting exchange rate differences are credited or charged to the profit and loss account. Transactions in foreign currencies during the reporting period have been incorporated at the rate of settlement.

The exchange rates used by the Company at balance sheet date are:

EUR 1 = HKD 9.4803
EUR 1 = CHF 1.5242
EUR 1 = SEK 9.1451
EUR 1 = USD 1.2155
EUR 1 = GBP 0.67075
EUR 1 = JPY 132.40

Corporate income taxes

Corporate income tax is calculated on the operating result as disclosed in the profit and loss account, allowing for tax-exempted items and items which are non-deductible, either in whole or in part, and are calculated at the actual corporate income tax rate.

NOTES TO THE BALANCE SHEET

OTC contracts

The securities exposure to market parties has been hedged by the Company via OTC contracts with BNP Paribas S.A. or BNP Paribas Arbitrage S.N.C.

The private placements concern warrants and certificates which are not placed via stock exchanges but directly to third parties. They are also hedged via OTC contracts with BNP Paribas S.A. or BNP Paribas Arbitrage S.N.C.

The specification of the OTC contracts is as follows:

Concerns	Expiration > 5 years	Expiration 1-5 years	Expiration <1 year	Total
Warrants:	EUR	EUR	EUR	EUR
Euronext	0	113,500,000	2,489,459,455	2,602,959,455
Luxembourg	1,876,850	73,207,164	112,964,451	188,048,465
Frankfurt	0	0	1,369,633,250	1,369,633,250
Hong Kong	0	0	609,753,384	609,753,384
Certificates:				
Euronext	0	3,000,000	333,421,000	336,421,000
Luxembourg	0	96,008,000	6,066,138	102,074,138
Frankfurt	0	50,000,000	0	50,000,000
Austria	65,861,500	52,000,000	0	117,861,500
Hong Kong	0	22,340,601	0	22,340,601
Private placements:				
Europe	17,000,000	329,496,313	139,447,307	485,943,620
Hong Kong	0	14,581,653	0	14,581,653
Foreign (Asia):				
Luxembourg	0	46,766,763	0	46,766,763
	84,738,350	800,900,494	5,060,744,985	5,946,383,829

Represented in the balance sheet as follows:

	EUR
- financial fixed assets	885,638,844
- current assets	5,060,744,985
	5,946,383,829

OTC contracts which will expire within one year have been represented under current assets.

The OTC contracts regarding securities issued via the stock exchange of Hong Kong can be specified in Hong Kong dollars as follows:

Hong Kong In HKD	Expiration > 5 years	Expiration 1-5 years	Expiration <1 year	Total
	HKD	HKD	HKD	HKD
re. Warrants	0	0	5,780,645,000	5,780,645,000
re. Certificates	0	211,795,600	0	211,795,600
re. Private placements	0	138,238,454	0	138,238,454
	0	350,034,054	5,780,645,000	6,130,679054

The OTC contracts regarding the certificates and private placements via Hong Kong were denominated in euros and US-dollars.

Receivables

	30.06.2004	30.06.2003
	EUR	EUR
Debtors	214,432	184,684
To be invoiced	512,837	206,915
Receivable interest deposit	0	350
Other receivables	422	422
	727,691	392,371

Receivables do not exceed a remaining term of one year.
The amounts regarding debtors and to be invoiced concerns only and wholly BNP Paribas group companies and no provision is deemed necessary.
Other receivables concerns corporate income tax, which can be carried back to the year 1999, due to the fiscal loss in the year 2000.

Bank
This amount corresponds with the current account with BNP Paribas, Amsterdam, and is freely at the disposal of the company.

Capital and reserves
Share capital issued and paid-up:
The Company's authorised share capital amounts to EUR 225,000 (225,000 common shares of EUR 1 each), of which 45,379 shares are issued and fully paid-up.
During the financial period under review, there have been no changes in the authorised, issued or paid in capital.

Movements can be specified as follows:

	Share capital	Retained earnings	Result for the period	Total
	EUR	EUR	EUR	EUR
January 1, 2003	45,379	5,813	0	51,192
Result first 6 months period 2003	0	0	13,753	13,753
Balance June 30, 2003	45,379	5,813	13,753	64,945
Result second 6 months period 2003	0	0	(12,541)	(12,541)
Appropriation result 2003		1,212	(1,212)	0
Balance December 31, 2003	45,379	7,025	0	52,404
Result first 6 months period 2004	0	0	36,923	36,923
Balance June 30, 2004	45,379	7,025	36,923	89,327

Securities premiums

The Company establishes securities programmes and issues call and put warrants/certificates exclusively to BNP Paribas S.A. and/or BNP Paribas Arbitrage S.N.C., exercisable on the date specified in the specific pricing supplement, pursuant to the terms and conditions of such securities programmes. At the same time BNP Paribas S.A. or BNP Paribas Arbitrage S.N.C. has agreed to purchase the securities. BNP Paribas distributes the securities to third parties. BNP Paribas S.A. acts as guarantor for the securities programmes towards the third parties.

According to the hedging agreement, upon each issue of securities by the Company, BNP Paribas S.A. or BNP Paribas Arbitrage S.N.C. undertakes to enter into an OTC option with the Company, such OTC option having the same characteristics as the securities' issue.

Netting agreements between the Company and BNP Paribas S.A. and BNP Paribas Arbitrage S.N.C. have been drawn up for all flows resulting from securities and OTC's to avoid that payments have to be made for these flows. These administrative procedures (absence of cash flow) are reflected in the cash flow statement of the Company.

The specification is as follows:

Markets	Expiration > 5 years	Expiration 1-5 years	Expiration <1 year	Total
Warrants:	EUR	EUR	EUR	EUR
Euronext	0	113,500,000	2,489,459,455	2,602,959,455
Luxembourg	1,876,850	73,207,164	112,964,451	188,048,465
Frankfurt	0	0	1,369,633,250	1,369,633,250
Hong Kong	0	0	609,753,384	609,753,384
Certificates:				
Euronext	0	3,000,000	333,421,000	336,421,000
Luxembourg	0	96,008,000	6,066,138	102,074,138
Frankfurt	0	50,000,000	0	50,000,000
Austria	65,861,500	52,000,000	0	117,861,500
Hong Kong	0	22,340,601	0	22,340,601
Private placements:				
Europe	17,000,000	329,496,313	139,447,307	485,943,620
Hong Kong	0	14,581,653	0	14,581,653
Foreign(Asia):				
Luxembourg	0	46,766,763	0	46,766,763
	84,738,350	800,900,494	5,060,744,985	5,946,383,829

Represented in the balance sheet as follows:

	EUR
- financial fixed assets	885,638,844
- current assets	5,060,744,985
	5,946,383,829

Securities contracts which will expire within one year have been represented under current liabilities.

The securities issued via the stock exchange of Hong Kong can be specified in Hong Kong dollars as follows:

Hong Kong In HKD	Expiration > 5 years	Expiration 1-5 years	Expiration <1 year	Total
	HKD	HKD	HKD	HKD
Warrants	0	0	5,780,645,000	5,780,645,000
Certificates	0	211,795,600	0	211,795,600
Private placements	0	138,238,454	0	138,238,454
	0	350,034,054	5,780,645,000	6,130,679,054

The premiums of the certificates and private placements of Hong Kong were denominated in euros and US-dollars.

Current liabilities

	30.06.2004	30.06.2003
	EUR	EUR
Provision corporate income tax for the period	7,849	5,617
Paid on provisional assessment for the period	0	(4,350)
Corporate income tax payable for the period	7,849	1,267
Corporate income tax payable 2003	7,454	576
Current account BNP Paribas S.A.	41,877	101,503
Issuing expenses payable	617,923	287,862
Audit fee	8,000	6,000
Tax advisory fee	11,500	7,500
Other fees	0	1,517
Bookkeeping fee	40,000	24,841
Management fee	30,000	32,456
	764,603	463,522

The current account BNP Paribas S.A. bears no interest as in previous year.

The issuing expenses payable concern costs of third parties specified by BNP Paribas S.A. or BNP Paribas Arbitrage S.N.C. as issuing expenses, not yet paid by the Company.

NOTES TO THE PROFIT & LOSS ACCOUNT

Gross margin
Result securities premiums:
This concerns securities premiums exercised in 2004.

Result OTC contracts:
This concerns the relating OTC contracts with BNP Paribas S.A. and BNP Paribas Arbitrage S.N.C. concerning the securities exercised in 2004.

Other income:
This concerns general and administrative expenses of the Company increased with an upcount of 10 %, based on a cost plus agreement and concluded for an indefinite period of time. These costs will be or have been invoiced by the Company to BNP Paribas S.A. and BNP Paribas Arbitrage S.N.C.

Issuing expenses:
This concerns all expenses related to the issuing of the securities, paid by the Company, and invoiced or to be invoiced to BNP Paribas S.A. and BNP Paribas Arbitrage S.N.C.

Operating costs
This amount can be specified as follows:

	Period 1 January up to and including 30 June 2004	**Period 1 January up to and including 30 June 2003**
	EUR	EUR
Domiciliation and management fee	67,080	37,381
Bookkeeping fee	87,407	16,368
Audit fee	33,736	7,307
Tax advisory fee	4,000	7,201
Other advisory/service fee	53,621	23,912
Notary and legal advisory fee	0	23,070
Chamber of Commerce	154	149
Other	2,658	1,470
	248,646	116,858

Net financial result

	Period 1 January up to and including 30 June 2004	**Period 1 January up to and including 30 June 2003**
	EUR	EUR
Interest received bank and other	507	1,512
Interest paid and similar charges	(689)	(745)
	(182)	767
Exchange gain OTC contracts	37,095,546	9,377,781
Exchange loss securities	(37,095,546)	(9,377,781)
	(182)	767

Employees
The Company employs no personnel.

Corporate income tax
The corporate income tax can be specified as follows:

	2004	2003
	EUR	EUR
Corporate income tax provision for the period	7,849	5,617
Corporate income tax previous period	6,815	0
Corporate income tax charged to the result	14,664	5,617

Financial instruments
The financial instruments that the Company uses include securities, bank accounts, receivables and current liabilities.

Primary financial instruments
The Company is of the opinion that the market value of the primary financial instruments as at period-end, does not differ significantly from the balance sheet valuation.

Credit risk
Credit risk is concentrated with parent company BNP Paribas S.A. who is the sole significant debtor.

Interest rate risk
No interest rate risk is valid.

Exchange rate risk
Purchases and sales of the Company are primarily denominated in euro. Exchange rate risks regarding securities are covered by the hedging agreement with BNP Paribas S.A. and related OTC contracts.

Derivative financial instruments
The Company issues securities, which are covered back to back with OTC contracts with BNP Paribas S.A. and BNP Paribas Arbitrage S.N.C. Therefore no net exposure remains. The sum of the fair values of the issued securities and OTC's, the net position, is therefore nil. Derivative financial instruments are not used for speculative purposes.
The estimated market values of the OTC contracts and the securities indicate the amounts payable or receivable in exchange for termination of the contracts as at balance sheet date without further obligations.
A detailed specification as at June 30, 2004 of outstanding amounts is as follows:

OTC contracts with BNP Paribas Arbitrage S.N.C and BNP Paribas S.A.	Underlying contract volume OTC's	Estimated market value OTC's	Nominal Value OTC's
	EUR	EUR	EUR
re. Warrants:			
Euronext stock exchange:			
- Up to 1 year	48,006,744,003	1,420,377,570	2,489,459,455
- From 1- 5 years	1,432,500,000	88,521,384	113,500,000
Luxembourg stock exchange:			
- Up to 1 year	228,496,000	145,965,926	112,964,451
- From 1- 5 years	462,387,230	52,617,732	73,207,164
- Exceeding 5 years	20,000,000	1,639,551	1,876,850
Frankfurt stock exchange			
- Up to 1 year	10,851,639,261	110,580,028	1,369,633,250
Hong Kong stock exchange:			
- Up to 1 year	8,127,560,227	464,390,368	609,753,384
re. Certificates:			
Euronext stock exchange:			
- Up to 1 year	4,430,000,000	355,297,678	333,421,000
- From 1- 5 years	3,000,000	2,886,337	3,000,000
Luxembourg stock exchange:			
- Up to 1 year	6,066,138	6,066,138	6,066,138
- From 1- 5 years	95,743,800	64,838,981	96,008,000
Frankfurt stock exchange:			
- From 1- 5 years	364,741,250	42,122,222	50,000,000
Austria stock exchange:			
- From 1- 5 years	52,000,000	51,507,845	52,000,000
- Exceeding 5 years	66,000,000	64,131,706	65,861,500
Hong Kong stock exchange:			
- From 1- 5 years	81,529,901	30,354,022	22,340,601
re. Private placements Europe:			
- Up to 1 year	216,797,716	129,280,595	139,447,307
- From 1- 5 years	557,692,146	252,867,194	329,496,313
- Exceeding 5 years	17,000,000	12,497,588	17,000,000
re. Private placements Hong Kong:			
- From 1- 5 years	19,981,754	7,725,036	14,581,653
Re. Foreign(Asia):			
Luxembourg stock exchange:			
- From 1- 5 years	547,779	46,766,763	46,766,763
Total OTC contracts, as per June 30, 2004	75,040,427,205	3,350,434,664	5,946,383,829
As per June 30, 2004	31,589,637,244	2,429,997,440	3,536,200,429

Securities	Underlying contract volume Securities	Estimated market value Securities	Nominal Value Securities
	EUR	EUR	EUR
As per June 30, 2004			
Warrants:			
Euronext stock exchange:			
- Up to 1 year	48,006,744,003	1,420,377,570	2,489,459,455
- From 1- 5 years	1,432,500,000	88,521,384	113,500,000
Luxembourg stock exchange:			
- Up to 1 year	228,496,000	145,965,926	112,964,451
- From 1- 5 years	462,387,230	52,617,732	73,207,164
- Exceeding 5 years	20,000,000	1,639,551	1,876,850
Frankfurt stock exchange			
- Up to 1 year	10,851,639,261	110,580,028	1,369,633,250
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- Up to 1 year	8,127,560,227	464,390,368	609,753,384
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Euronext stock exchange:			
- Up to 1 year	4,430,000,000	355,297,678	333,421,000
- From 1- 5 years	3,000,000	2,886,337	3,000,000
Luxembourg stock exchange:			
- Up to 1 year	6,066,138	6,066,138	6,066,138
- From 1- 5 years	95,743,800	64,838,981	96,008,000
Frankfurt stock exchange:			
- From 1- 5 years	364,741,250	42,122,222	50,000,000
Austria stock exchange:			
- From 1- 5 years	52,000,000	51,507,845	52,000,000
- Exceeding 5 years	66,000,000	64,131,706	65,861,500
Hong Kong stock exchange:			
- From 1- 5 years	81,529,901	30,354,022	22,340,601
Private placements Europe:			
- Up to 1 year	216,797,716	129,280,595	139,447,307
- From 1- 5 years	557,692,146	252,867,194	329,496,313
- Exceeding 5 years	17,000,000	12,497,588	17,000,000
re. Private placements Hong Kong:			
- From 1- 5 years	19,981,754	7,725,036	14,581,653
Foreign(Asia):			
Luxembourg stock exchange:			
- From 1- 5 years	547,779	46,766,763	46,766,763
Total securities, as per June 30, 2004	75,040,427,205	3,350,434,664	5,946,383,829
As per June 30, 2004	31,589,637,244	2,429,997,440	3,536,200,429

Amsterdam, July 30, 2004

The Managing Director,

BNP Paribas Trust B.V.

OTHER INFORMATION

AUDITORS' REPORT

The auditors' report is recorded on the next page.

PRICEWATERHOUSECOOPERS

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1097 JB Amsterdam
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To the Board of directors and the Shareholders of
BNP Paribas Arbitrage Issuance BV

Auditors' report

Introduction

In accordance with your instructions we have audited the financial statements of BNP Paribas Arbitrage Issuance B.V., Amsterdam, for the 6 months ended 30 June 2004. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with auditing standards generally accepted in the Netherlands. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the company as at 30 June 2004 and of the result for the 6 months then ended in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9 of Book 2 of the Netherlands Civil Code.

Amsterdam, 30 July 2004

PricewaterhouseCoopers Accountants NV

PricewaterhouseCoopers is the trade name of amongst others the following companies: PricewaterhouseCoopers Accountants N.V. (registered with the Trade Register under number 34180285), PricewaterhouseCoopers Belastingadviseurs N.V. (registered with the Trade Register under number 34180284), PricewaterhouseCoopers Corporate Finance & Recovery N.V. (registered with the Trade Register under number 34180287) and PricewaterhouseCoopers B.V. (registered with the Trade Register under number 34180289). The services rendered by these companies are governed by General Terms & Conditions, which include provisions regarding our liability. These General Terms & Conditions are filed with the Amsterdam Chamber of Commerce and can also be viewed at www.pwcglobal.com/nl.

THE GUARANTOR

General Description of the Guarantor

The Guarantor

General Description

LEGAL INFORMATION

Corporate Name and Registered Office

BNP Paribas
16, boulevard des Italiens
75009 PARIS
Legal documents concerning the Company are available for consultation at the Company's headquarters.

Issued Share Capital

As of 20 February 2002, the effective date of the two-for-one share-split, BNP Paribas' share capital stood at EUR 1,773,245,988, divided into 886,622,994 shares.
Since then, two series of transactions have led to changes in the number of shares outstanding:

- a total of 1,633,031 new shares were issued upon exercise of stock options,
- 7,623,799 shares were subscribed through the share issue reserved for employees.

None of the Bank's shares carry double voting rights.

As of 30 June 2004, 25,009,294 stock subscription options (out of which 24,877,921 shares to be issued) and 6,189,746 stock purchase options were outstanding under the BNP Paribas stock options plans.

Changes in Share Capital

Following the issuance of new shares under the stock option plans, the share capital had been modified on 23 January 2003. It was set at 1,791,759,648 euros divided in 895,879,824 fully paid-up shares of a nominal value of 2 euros each.

The Bank's capital further rose on the 2nd July 2003 by a figure of Euro 14.583.582 due to the issuing of 7.291.791 new shares at a nominal of 2 euros each. Thus the capital rose to Euro 1.806.343.230.

The Bank's capital further rose on the 28th January 2004 by a figure of Euro 887,978 due to the issuing of 443,989 new shares, at a nominal of Euro 2 each, valid from 1st January 2003. Thus the capital rose to Euro 1,807,231,208.

The Bank's capital decreased on the 17th of May 2004 by a figure of Euro 50,000,000 due to the cancellation of 25,000,000 shares, at a nominal of Euro 2 each. Thus the capital decreased to Euro 1,757,231,208.

The Bank's capital further rose on the 6th of July 2004 by a figure of Euro 12,169,680 due to the issuing of 6,084,840 new shares, at a nominal of Euro 2 each. The value of BNP Paribas' capital thus rose to Euro 1,769,400,888.

The Bank's capital further rose on the 25th January 2005 by a figure of Euro 1,037,516 due to the issuing of 518,758 new shares, at a nominal of Euro 2 each, valid from 1st January 2004.

The value of BNP Paribas' capital thus rose to Euro 1,770,438,404, which is divided into 885,219,202 shares of a nominal of Euro 2 each.

Incorporation Details

Registered in Paris under no. 662 042 449
APE business identifier code: 651 C

Incorporation Date

The Company was incorporated on 17 September 1993 for a period of ninety-nine years.

LEGAL STUCTURE, REGULATORY FRAMEWORK AND CORPORATE PURPOSE

BNP Paribas is a French *société anonyme* (public limited company) licensed to conduct banking operations under the Monetary and Financial Code *(Code Monétaire et Financier, Livre V, Titre 1er).* The company was founded pursuant to a decree dated 26 May 1966.

BNP Paribas is governed by banking regulations, the provisions of the Commercial Code applicable to trading companies and by its Articles of Association.
The Company's purpose (Article 3 of the Articles of Association) is to provide and conduct the following services with any legal entity or individual, in France and abroad, subject to compliance with the laws and regulations applicable to credit institutions licensed by the Comité des Établissements de Crédit et des Entreprises d'Investissement:

• any and all investment services
• any and all related investment operations,
• any and all banking services,
• any and all related banking operations,
• all equity investments.

as defined in the Monetary and Financial Code *(Livre III, Titre 1er* governing banking services and *Livre III Titre II* governing investment services).

BNP Paribas may also conduct any and all other businesses and any and all transactions in addition to those listed above, including any and all arbitrage, brokerage and feebased transactions, subject to compliance with the regulations applicable to banks.

BNP Paribas may conduct for its own account and/or for the account of third parties, any and all financial, commercial, industrial, or agricultural activities as well as all activities concerning securities and real estate, that may be directly or indirectly related to the activities referred to above or that may facilitate their execution.

Management of the Guarantor

BNP PARIBAS BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE

Board of Directors
Pursuant to the by-laws of the Bank, the business affairs of the Bank are administered by the Board of Directors, which is composed of a total of not less than nine nor more than 18 directors (excluding directors elected by employees). The Board of Directors currently comprises 15 directors, plus three additional directors elected, in accordance with the terms of the by-laws, by employees of the Bank. In accordance with French law, the directors of the Bank may be removed at any time, with or without cause. Each director is elected or appointed for a term of three years. The Board of Directors elects a chairman from among its members and also establishes the term of the appointment of the Chairman that may not exceed the period or remaining period, as the case may be, of the Chairman's appointment as a member of the Board of Directors.

The names and positions of the current members of the Board of Directors of the Bank are as follows:

Michel Pébereau	Chairman, BNP Paribas
Patrick Auguste	Executive, BNP Paribas (elected by employees)
Claude Bébéar	Chairman of the Supervisory Board, AXA
Jean-Louis Beffa	Vice Chairman, BNP Paribas; Chairman and Chief Executive Officer, Saint-Gobain
Gerhard Cromme	Chairman of the Supervisory Board, ThyssenKrup
Michel François-Poncet	Vice Chairman, BNP Paribas
Jacques Friedmann	Company Director
Jean-Marie Gianno	Employee, BNP Paribas (elected by employees)
François Grappotte	Chairman, Legrand
Alain Joly	Chairman of the Supervisory Board, Air Liquide

Denis Kessler	Chairman and Chief Executive Officer, Scor
Jean-François Lepetit	
Lindsay Owen-Jones	Chairman and Chief Executive Officer, L'Oréal
Hélène Ploix	Chairman, Pechel Industry
Baudouin Prot	Chief Executive Officer, BNP Paribas
Louis Schweitzer	Chairman and Chief Executive Officer, Renault
Jean-François Trufelli	Employee, BNP Paribas (elected by employees)

At its meeting of February 4, 2004, the Board of Directors accepted the resignation of Jean-Marie Messier as a board member, effective at the end of 2003.

A vote was held on February 5, 2004 to elect employee representatives to the Board of Directors, to be chosen among technical specialists in the banking industry. The national commission in charge of tallying the results of the vote met on February 11, 2004. Jean-Marie Gianno and Jean-François Trufelli were declared the winners, and replaced Jack Delage and Jean Morio on the Board of Directors as of March 15, 2004.

At its meeting of May 5, 2004, the Board of Directors, on the recommendation of the Compensation and Nominations Committee, appointed Jean-François Lepetit as a director.

At its meeting of May 28, 2004, the ordinary shareholder's meeting has accepted the resignation of David Peake from his position as a director on the expiry of his term of office at the close of this meeting, and has resolved not to replace him.

Executive Committee

Since 11 June 2003, membership of the BNP Paribas Executive Committee is as follows:

Baudouin Prot, Chief Executive Officer
Georges Chodron de Courcel, Chief Operating Officer
Jean Clamon, Chief Operating Officer
Amaury-Daniel de Sèze, Head of BNP Paribas Capital
Philippe Blavier, Head of the Corporate and Investment Banking
Jean-Laurent Bonnafé, Head of the French Retail Banking
Philippe Bordenave, Head of Group Finance
Hervé Gouëzel, Head of Group Information Systems
Bernard Lemée, Head of Group Human Resources
Vivien Lévy-Garboua, Head of the Asset Management and Services
Pierre Mariani, Head of the Financial Services and International Retail Banking

In a press release on December 7, 2004, BNP Paribas announced that Alain Papiasse, 49, joins the BNP Paribas Group and succeeds Vivien Lévy-Garboua as Head of the Asset Management and Services core business. He will sit on the Executive Committee of BNP Paribas.
Vivien Lévy-Garboua, has been appointed Head of the new Compliance function commencing 3 January 2005. In this new capacity, Vivien Lévy-Garboua will continue to be a member of the Executive Committee of BNP Paribas.

Business address of the Executive Committee is 3, rue d'Antin, F-75002 Paris, France.

Group membership

BNP Paribas is the parent of the Group. A further description of the group is set out hereinafter.

Drawing up of annual accounts

The financial year is the calendar year.

Adoption of annual accounts

The general meeting of shareholders will adopt the annual accounts.

Annual auditor

In respect of the Guarantor and also in respect of the Group:
(i) Barbier Frinaul & Autres, Réseau Ernst & Young, Neuilly-sur-Seine, represented by Mr. Christian Chiarasini and Mr. Radwan Hoteit (ii) PricewaterhouseCoopers - Audit, Paris, represented by Mr. Etienne Boris and (iii) Mazars & Guérard, Mazars, Paris la Défense, represented by Mr. Hervé Hélias.

Recent Development and Prospects of the Guarantor

Information on the recent development and prospects of the group is set out hereinafter. BNP Paribas SA is the ultimate holding company for all group subsidiaries in France and abroad. Certain activities such as a significant proportion of BNP Paribas Group's retail banking activities in France and a part of the corporate and investment banking activity are also conducted by BNP Paribas SA. As the BNP Paribas group is organized by global business lines, an analysis of the recent development and prospects of BNP Paribas SA taken separately is not significant.
Furthermore the press releases no. 1 to 10 inform about other recent developments.

Press Releases

1) Press release dated **16 September 2004** (see below)
BancWest Corporation and Community First Target Fourth Quarter Merger Completion:

2) Press release dated **20 September 2004** (see below)

BNP Paribas to strengthen its private banking franchise through two separate acquisitions in Monaco

3) Press release dated **25 October 2004** (see below)
BNP Paribas Immobilier acquires the balance of 50.1% of Atisreal International from Vendôme Rome

4) Press release dated **17 November 2004** (see below)
BancWest Corporation Completes Acquisitions of Community First Bankshares and USDB Bancorp

5) Press release dated **22 November 2004** (see below)
BNP Paribas Asset Management and Fauchier Partners merge interests to create a major fund of hedge funds business

6) Press release dated **23 November 2004** (see below)
BNP Paribas reinforces its position on the Turkish banking market.

7) Press release dated **6 December 2004** (see below)
BNP Paribas to strengthen its private banking franchise through two separate transactions in Switzerland

8) Press release dated **7 December 2004** (see below)

BNP Paribas establishes a new global function dedicated to Compliance

9) Press release dated **11 January 2005** (see below)

Cardif launches business in Switzerland

10) Press relase dated **26 January 2005** (see below)

(it corresponds to the press releases that have been included in the documents, handed to the "Autorité des Marchés Financiers")

Press release dated 16 September, 2004

BancWest Corporation and Community First Target Fourth Quarter Merger Completion:
SAN FRANCISCO and FARGO, N.D. - September 16, 2004 –

BancWest Corporation ("BancWest") and Community First Bankshares, Inc. (Nasdaq: CFBX) today provided an updated estimate for the close of their previously announced merger transaction. The two companies now expect the transaction to close during the fourth quarter of 2004. Earlier estimates had targeted a third quarter 2004 completion.

The transaction is currently pending regulatory approval. Shareholders of Community First approved the merger during its annual meeting on June 30, 2004. Under the definitive merger agreement, BancWest will pay $32.25 for each Community First share in a cash transaction valued at $1.2 billion and Community First will merge into Bank of the West.

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About BNP Paribas

BNP Paribas (www.bnpparibas.com) is a leading financial services group in Europe with strong positions in Asia and a presence in the United States. It ranks as a leading player in the euro zone in terms of net income and market capitalization. BNP Paribas has one of the largest international networks with a presence in more than 85 countries and 89,400 associates, including 67,700 in Europe. Its three major business areas are Retail Banking, Investment Banking and Finance, and Private Banking and Asset Management, Insurance and Securities.

BNP Paribas to strengthen its private banking franchise through two separate acquisitions in Monaco

Paris - September 20th, 2004

BNP Paribas announced today the signing of two separate definitive agreements whereby BNP Paribas Private Bank (Switzerland) S.A. will acquire 100% of the shares of both Société Monégasque de Banque Privée SAM ("SMBP") and Bank von Ernst (Monaco) SAM. The two banks are exclusively active in the private banking business and currently manage a total of Eur 1 billion on behalf of their clients. The transactions are subject to the approval of relevant regulatory authorities and are expected to be completed during the fourth quarter of 2004.

Founded in 1953, SMBP is jointly owned by la Caixa (25.1%), Credit Andorra (25%) and Dexia BIL (49.9%) since 1995. SMBP currently manages over EUR 630 million for wealthy private individuals and employs 58 individuals.

Established in Monaco since 1989, Bank von Ernst (Monaco) SAM is currently owned by Bank von Ernst & Cie, now part of the Coutts Group. As of end-June 2004, it managed some EUR 360 million on behalf of clients with a team of 24 employees.

October 25th, 2004

BNP Paribas Immobilier acquires the balance of 50.1% of Atisreal International from Vendôme Rome

As the leading European players in the real estate services sector, the Vendôme Rome group, which is accelerating its strategic redeployment, and BNP Paribas Immobilier have reached agreement for the early acquisition of the whole of Atisreal International by BNP Paribas Immobilier, taking its capital holding from 49.98% to 100%.

Atisreal International, in which BNP Paribas Immobilier took a stake in March 2004, owns the following corporate real estate services companies (i.e. companies involved in international transactions, consultancy, valuation and management): Atisreal Auguste Thouard, ATHF and EXPERTIM in France, Atisreal WEATHERALLS in the UK, Atisreal MULLER in Germany, and Atisreal subsidiaries in Spain and Benelux.

Vendôme Rome, through the ADYAL group, in which it has a 75% stake and Crédit Lyonnais Private Equity has 25%, has refocused its external growth strategy on the non-sales corporate real estate services sector by acquiring the DBA group, which operates in France, Spain, Benelux, Switzerland and the United States. The ADYAL group covers practically all the activities in corporate real estate services except, significantly, transactions. With a turnover of nearly euros100M, it is a leader in consultancy and user services in continental Europe.

BNP Paribas Immobilier's position as leader in corporate real estate services in continental Europe is already confirmed with commissions totalling nearly euros 300M.

November 17th, 2004

BancWest Corporation Completes Acquisitions of Community First Bankshares and USDB Bancorp

Acquisitions Make BancWest 7th-Largest Western Bank Holding Company
(HONOLULU, SAN FRANCISCO and FARGO, N.D., November 1, 2004)

BancWest Corporation announced today that it has completed two acquisitions that expand its operations into 10 additional states and increase its presence in California's Central Valley. The transactions make BancWest the seventh-largest bank holding company in the Western United States.

BancWest completed acquisition of:
- Community First Bankshares, Inc. (Nasdaq: CFBX), parent company of Community First National Bank and Community First Insurance, Inc.
- USDB Bancorp, parent company of Union Safe Deposit Bank.

BancWest, a subsidiary of BNP Paribas, is a bank holding company whose principal subsidiaries are Bank of the West and First Hawaiian Bank.
Branches of Community First National Bank and Union Safe Deposit Bank will be fully integrated into Bank of the West. BancWest anticipates that Community First will be merged into Bank of the West in December and Union Safe Deposit Bank will be merged into Bank of the West in January.

The transactions will introduce the Bank of the West "bear" brand into 10 new states -- Arizona, Colorado, Iowa, Minnesota, Nebraska, North Dakota, South Dakota, Utah, Wisconsin and Wyoming - and add to the bank's presence in San Joaquin and Stanislaus Counties in California's Central Valley.
Following the acquisitions, BancWest will have approximately $49 billion in assets and more than 530 branches in 17 Western and Midwestern states, Guam and Saipan.

November 22nd, 2004

BNP Paribas Asset Management and Fauchier Partners merge interests to create a major fund of hedge funds business

BNP Paribas Asset Management (BNP PAM) and Fauchier Partners announce that the operations of their joint venture, BNP Paribas Fauchier Partners (BNP FP), will merge with Fauchier Partners to create a major fund of hedge funds business.

BNP PAM will acquire a 50 per cent economic interest in the enlarged Fauchier Partners in consideration for contributing its shareholding in BNP FP and making additional cash payments. Majority voting rights will however remain with management.

Fauchier Partners' founders, Patrick Fauchier and Christopher Fawcett, will continue as Chief Executive and Chief Investment Officer respectively and the membership of the firm's investment committee will be unchanged. BNP FP's team will join the enlarged firm.

Following the merger, which is subject to regulatory approval, Fauchier Partners will become one of Europe's leading dedicated managers of Funds of Hedge Funds with assets of the equivalent of some US $ 3.5 billion (? 2.7 billion). Clients for whom the enlarged Fauchier Partners manages portfolios include pension funds, financial institutions, corporations, charities, university endowments and family groups.

November 23rd, 2004

BNP Paribas reinforces its position on the Turkish Banking market and acquires 50% of the controlling holding of Türk Ekonomi Bankasi A.S. ("TEB")

BNP Paribas today signed a share purchase agreement with the Çolakoglu Group whereby BNP Paribas will acquire (subject to regulatory approvals) a 50% stake in TEB Mali Yatirimlar A.S. ("TEB Mali"), the Çolakoglu Group's holding company for financial services which has an 84.25% controlling stake in TEB. The Çolakoglu Group will remain a 50% shareholder in TEB Mali.

Taking advantage of BNP Paribas' product expertise and cross-selling know-how, TEB will capitalise on its recognised presence and deep knowledge of the market to further develop activities which will include, amongst others, retail, corporate and investment banking, as well as asset management and private banking, leading to significant growth prospects and synergies.

Under the terms of the agreement, BNP Paribas will pay around USD 217 million (equivalent to 2.05 times book value) for its stake in TEB Mali. This amount is subject to completion adjustments reflecting the evolution of the net assets of TEB Mali between 30 June 2004 and completion. In addition, an earn-out mechanism linked to the performance of TEB, payable in early 2008, has been agreed between the parties. The transaction will be immediately accretive for BNP Paribas.

TEB enjoys one of the highest ratings by the international agencies amongst the Turkish banks. It is the 10th largest private Turkish bank in terms of assets and a leading bank in trade finance and private banking. TEB's network comprises 87 branches and employs about 2,000 people. For the year ended 31 December 2003, TEB had revenues of USD 187 million, net income (including minorities) of USD 39 million, total assets of USD 3.0 billion, loans of USD 1.2 billion, deposits of USD 2.2 billion and shareholders' funds of USD 233 million. The RoE for 2003 was 17.6% and the total capital adequacy ratio 15.2%.

BNP Paribas will seek from the Turkish Capital Markets Board an exemption from the requirement to launch a mandatory offer for the free float of TEB and of its subsidiary Varlik Yatirim Ortakligi A.S.. BNP Paribas was advised by Lehman Brothers and BNP Paribas Corporate Finance.

December 6th, 2004

BNP Paribas to strengthen its private banking franchise through two separate transactions in Switzerland

BNP Paribas announced today the signing of a definitive agreement whereby the clients of Citigold International Wealth Management in Geneva and Zurich ("CIWM"), will be transferred to BNP Paribas Private Bank (Switzerland) SA. CIWM, a Citigroup consumer business, currently manages some CHF 2 billion on behalf of its clients in Switzerland. The transaction is expected to be completed in the second quarter of 2005.

Vivien Levy-Garboua, Head of BNP Paribas' Asset Management & Services division stated: "We are delighted at the prospect to welcome the CIWM clientele. We believe that the access to BNP Paribas' products and services will enable the consolidation and the expansion of existing relationships". Upon completion, the CIWM relationship managers in Switzerland are expected to join BNP Paribas Private Bank (Switzerland) SA, thus providing continuity in the management of the clientele.

BNP Paribas Private Bank (Switzerland) SA also signed an agreement for the acquisition of CaixaBank Banque Privée (Suisse) SA ("CBPS"). CBPS provides private banking and fund management services. It currently manages CHF 460 million including the Luxembourg-based Caixa Funds range. The transaction is subject to regulatory approvals and is expected to be completed during the first quarter of 2005. As part of the transaction, it is intended that most of the sub-funds of Caixa Funds be absorbed into Parvest, the flagship Luxembourg-based umbrella fund of BNP Paribas Asset Management ("BNP PAM").

December 7th, 2004

BNP Paribas establishes a new global function dedicated to Compliance

BNP Paribas continuously strives for the highest standards in ethics, risk control and internal auditing. In the face of changes in the banking environment and the regulators' increasingly stringent requirements in these areas, the Group has decided to establish a new global function of Compliance, its Head reporting directly to the Chief Executive Officer and having a broad remit over the entire Group.

The Head of Compliance will be responsible for:

- Supervision of the consistency and efficiency of actions undertaken with regard to ethical rules, and more broadly, with regard to the legislative and regulatory provisions specific to banking and finance activities. He will be directly in charge of the Ethics function and actions designed to combat money laundering and corruption; he will also have functional authority over Group Legal Affairs for everything connected with control and compliance missions.

- Direction and coordination of internal control set up throughout the Group and he will chair a monthly committee composed of the Inspector General, and the Group managers in charge of Risk, Fiscal Affairs, Legal Affairs, Ethics, and Finance and Development. He will produce the report on internal control and Compliance.

Vivien Lévy-Garboua, has been appointed Head of the new Compliance function commencing 3 January 2005. Aged 58, in charge of BNP Paribas Asset Management and Services core business since the merger after being co-head of BFI at BNP, he has exceptional experience of the Group's international businesses which will be particularly valuable in this position. In this new capacity, Vivien Lévy-Garboua will continue to be a member of the Executive Committee of BNP Paribas.

Alain Papiasse, 49, joins the BNP Paribas Group and succeeds Vivien Lévy-Garboua as Head of the Asset Management and Services core business. He will sit on the Executive Committee of BNP Paribas. As Senior Vice President of Crédit Lyonnais, Alain Papiasse played an important role in the bank's recovery from the second half of the 1990s. In particular, he directed the subsidiary Crédit Lyonnais Asset Management from 1998 to 2000 and then was Chief Operating Officer of Calyon.

Alain Moynot, 59, who has directed and consolidated the global Ethics and Compliance function since 2002, has been appointed as Adviser to General Management. With his long experience of Retail Banking activities, Alain Moynot will specifically be in charge of coordinating the Group's relations with the European authorities and of competition matters. He will also be in charge of BNP Paribas' contribution to the works of banking industry on payment systems.

Paris - January 11th, 2005

Cardif launches business in Switzerland

Cardif, a global personal insurance Group and a BNP Paribas subsidiary, has just been licensed to operate in life and non-life insurance in Switzerland.
Business is scheduled for launch during Q1 2005, with unemployment insurance. In the long-term, the offer should stretch to cover other risks, such as mortgages, consumer credits and leasing contracts.

With a population of 7.2 million inhabitants, and earnings of USD Bn 24.7, Switzerland is the 10th world market for life insurance.
This new location in Zurich is the latest step in the deployment of the Group's European presence, currently in 17 countries. It is part of Cardif's international development strategy, with 29 locations in the world.

Paris, 26th January 2005

Cetelem, the consumer finance subsidiary of BNP Paribas, terminates its planned acquisition of a 50% stake in the company that controls Russian Standard Bank, which was announced on July 27, 2004. This is due to Mr Tariko and his group failing to comply with their commitments pursuant to the binding agreements signed on July 22, 2004.

BNP Paribas actively pursues all legal procedures initiated to protect its interests.

With a longstanding presence in the country through its Moscow base, BNP Paribas will continue to develop its franchise in Russia, which remains a priority market for the group.

Financial Statements

Financial Statements Guarantor/BNP Paribas Group

Financial Statements

Only the financial statements of BNP Paribas Group are provided, as the financial statements of the Guarantor (financial statements of BNP Paribas S.A.) do not contain any additional material information.

BNP Paribas SA is the ultimate holding company for all the group subsidiaries in France and abroad. Certain businesses such as a significant proportion of BNP Paribas Group's retail banking activities in France and a part of the Corporate and investment banking activity are also conducted by BNP Paribas SA.

The BNP Paribas group being organised by global business lines, an analysis of the business of BNP Paribas SA taken separately is not significant.

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CONSOLIDATED BALANCE SHEET

ASSETS

In millions of euros, at 31 December	2003	2002	2001
Interbank and money market items (note 3):			
Cash and amounts due from central banks and post office banks	5,287	9,884	3,489
Treasury bills and money market instruments (note 5)	106,671	83,990	81,462
Due from credit institutions	162,950	146,512	186,623
Total interbank and money market items	**274,908**	**240,386**	**271,574**
Customer items (note 4)			
Due from customers	201,611	204,719	214,819
Leasing receivables	20,362	20,622	20,088
Total customer items	**221,973**	**225,341**	**234,907**
Bonds and other fixed income instruments (note 5)	**55,005**	**41,964**	**56,062**
Equities and other variable income instruments (note 5)	**52,506**	**22,616**	**42,497**
Insurance company investments (note 6)	**62,275**	**57,154**	**56,210**
Investments in non-consolidated undertakings, other participating interests and equity securities held for long-term investment (note 7)			
Investments in non-consolidated undertakings and other participating interests	2,160	5,872	3,027
Equity securities held for long-term investment	4,612	5,407	5,746
Total investments in non-consolidated undertakings, other participating interests and equity securities held for long-term investment	**6,772**	**11,279**	**8,773**
Investments in companies carried under the equity method			
Financial sector companies	1,436	1,557	1,507
Non-financial sector companies	195	238	376
Total investments in companies carried under the equity method (note 9)	**1,631**	**1,795**	**1,883**
Tangible and intangible assets (note 11)	**9,008**	**8,640**	**7,514**
Goodwill (note 12)	**5,578**	**6,547**	**4,489**
Accrued income and other assets (note 13)	**93,420**	**94,597**	**141,387**
Total assets	**783,076**	**710,319**	**825,296**

COMMITMENTS GIVEN			
Financing commitments given (note 23)	156,287	140,398	132,929
Guarantees and endorsements given (note 23)	56,865	60,226	79,943
Commitments related to securities to be delivered (note 23)	7,389	7,960	9,216
Insurance company commitments	1,297	914	668
Commitments incurred on forward and options contracts (note 24)	18,356,809	13,959,842	10,921,962

BNP PARIBAS GROUP

LIABILITIES AND SHAREHOLDERS' EQUITY

In millions of euros, at 31 December	2003	2002	2001
Interbank and money market items (note 14):			
Due to central banks and post office banks	60	159	202
Due to credit institutions	191,194	177,746	220,094
Total interbank and money market items	**191,254**	**177,905**	**220,296**
Customer items (note 15)	**210,621**	**195,569**	**216,096**
Debt securities:			
Retail certificates of deposit (note 15)	4,933	6,708	6,771
Interbank market securities (note 14)	1,025	1,025	1,670
Negotiable certificates of deposit (note 15)	67,014	64,913	63,575
Bonds, including short-term portion (note 16)	9,952	11,260	15,780
Other debt instruments	177	151	67
Total debt securities	**83,101**	**84,057**	**87,863**
Technical reserves of insurance companies (note 17)	**61,808**	**56,526**	**55,205**
Accrued expenses and other liabilities (note 18)	**184,820**	**145,836**	**199,224**
Badwill (note 12)	**18**	**22**	**25**
Provisions for contingencies and charges (note 19)	**4,045**	**4,144**	**4,853**
Subordinated debt (note 20)	**13,226**	**14,283**	**13,038**
Reserve for general banking risks (note 21)	**843**	**997**	**1,007**
Minority interests in consolidated subsidiaries (note 22)	**5,019**	**4,535**	**3,079**
Shareholders' equity (note 22):			
Share capital	1,806	1,790	1,772
Additional paid-in capital in excess of par and premium on acquisition	11,017	10,804	10,476
Retained earnings	11,737	10,556	8,344
Net income	3,761	3,295	4,018
Total shareholders' equity	**28,321**	**26,445**	**24,610**
Total liabilities and shareholders' equity	**783,076**	**710,319**	**825,296**
COMMITMENTS RECEIVED			
Financing commitments received (note 23)	43,976	21,536	22,355
Guarantees and endorsements received (note 23)	42,951	43,824	42,276
Commitments related to securities to be received (note 23)	7,852	15,037	11,090
Insurance company commitments	2,801	2,065	2,345

CONSOLIDATED PROFIT AND LOSS ACCOUNT

In millions of euros	2003	2002	2001
Interest income	*27,174*	*31,606*	*39,303*
Interest expense	*(20,663)*	*(26,222)*	*(35,327)*
Net interest income (note 29)	6,511	5,384	3,976
Income on equities and other variable income instruments (note 32)	283	323	564
Commission income	*6,319*	*6,160*	*6,413*
Commission expense	*(2,026)*	*(1,982)*	*(2,029)*
Net commission income (note 33)	4,293	4,178	4,384
Net gains on trading account securities	4,407	4,687	6,296
Net gains on securities available for sale	190	139	223
Other banking income	*970*	*1,134*	*1,097*
Other banking expenses	*(880)*	*(911)*	*(766)*
Net other banking income	90	223	331
Underwriting result and net investment income of insurance companies (note 34)	1,658	1,440	1,308
Net income from other activities	503	419	368
Net banking income (note 39)	**17,935**	**16,793**	**17,450**
Operating expense:			
Salaries and employee benefits, including profit sharing (note 35)	(6,763)	(6,445)	(6,467)
Other administrative expenses	(3,764)	(3,892)	(3,889)
Total operating expense	(10,527)	(10,337)	(10,356)
Depreciation, amortisation and provisions on tangible and intangible assets	(758)	(618)	(577)
Gross operating income (note 39)	**6,650**	**5,838**	**6,517**
Net additions to provisions for credit risks and country risks (note 8)	(1,361)	(1,470)	(1,312)
Operating income (note 39)	**5,289**	**4,368**	**5,205**
Share of earnings of companies carried under the equity method (note 9)	131	80	228
Gains on long-term investments and changes in provisions (note 37)	912	903	1,125
Income before tax, non-recurring items, amortisation of goodwill and movements in the reserve for general banking risks	**6,332**	**5,351**	**6,558**
Net non-recurring expense (note 38)	(494)	(174)	(165)
Corporate income tax (note 40)	(1,481)	(1,175)	(1,817)
Amortisation of goodwill	(399)	(366)	(188)
Movements in the reserve for general banking risks	147	2	27
Minority interests	(344)	(343)	(397)
Net income	**3,761**	**3,295**	**4,018**
Basic earnings per share, in euros (1)	**4.31**	**3.78**	**4.64**
Diluted earnings per share, in euros (2)	**4.28**	**3.74**	**4.58**

(1) After the two-for-one share split.

(2) In accordance with Accounting Standards Committee (CRC) standard 99-07, earnings per share are also presented on a diluted basis, calculated in line with the method recommended by the French Accounting Board (OEC) in opinion No. 27. The method used to calculate diluted earnings per share also complies with IAS 33 "Earnings per share". Diluted earnings per share correspond to net income for the year divided by the weighted-average number of shares outstanding, adjusted for the maximum number of potential ordinary shares, corresponding to dilutive instruments. Stock options are taken into account in the calculation of diluted earnings per share by the treasury stock method which is also allowed under IAS 33.

CONSOLIDATED STATEMENT OF CASHFLOWS

In millions of euros	2003	2002	2001
Long-term sources of funds			
Funds provided from shareholders' equity			
From operations:			
Consolidated net income	4,105	3,638	4,415
Depreciation and amortisation	758	618	577
Net additions to provisions	1,200	1,764	1,557
Share of earnings of companies carried under the equity method	(131)	(80)	(228)
Total funds provided from operations	**5,932**	**5,940**	**6,321**
Dividends paid	(1,541)	(1,322)	(1,209)
Other changes in shareholders' equity:			
Group share	120	(2,482)	(2,008)
Minority interests	424	1,253	(25)
Decrease in reserve for general banking risks	(154)	(10)	(5)
(Decrease) increase in subordinated debt	(1,057)	1,245	1,293
Increase in shareholders' equity and other long-term capital	**3,724**	**4,624**	**4,367**
Funds provided from other sources:			
Increase (decrease) in interbank items (liabilities)	13,349	(42,391)	24,041
Increase (decrease) in customer deposits	15,052	(20,527)	43,219
(Decrease) increase in debt securities	(956)	(3,806)	12,138
Increase in technical reserves of insurance companies	5,282	1,321	1,112
Increase (decrease) in other financial items	40,030	(7,243)	25,775
Increase (decrease) in other sources of funds	**72,757**	**(72,646)**	**106,285**
Total increase (decrease) in sources of funds	**76,481**	**(68,022)**	**110,652**
Uses:			
Increase (decrease) in interbank items (assets)	11,790	(33,706)	51,319
(Decrease) increase in customer loans	(2,182)	(8,129)	5,551
Increase (decrease) in securities	63,104	(34,439)	57,007
Increase in insurance company investments	5,121	944	1,565
(Decrease) increase in long-term investments	(2,478)	5,564	(7,050)
Increase in tangible and intangible assets	1,126	1,744	2,260
Total increase (decrease) in uses of funds	**76,481**	**(68,022)**	**110,652**

NOTE 1 – ACCOUNTING POLICIES

The consolidated financial statements of the BNP Paribas Group have been prepared in accordance with French generally accepted accounting principles applicable in the banking industry.

YEAR-ON-YEAR COMPARISONS

The effect on opening shareholders' equity at 1 January 2002 of applying Comité de la Réglementation Comptable standard

CRC 2000-06 concerning liabilities is not material. Application of the new standard does not affect comparisons of the three financial years presented in these consolidated financial statements.

Up until 30 September 2002, investments in non-consolidated undertakings, other participating interests and equity securities held for long-term investment were stated at the lower of cost and fair value, corresponding mainly to the average market price for the last 24 months or the market value determined as close as possible to the year-end, in the case of investments that have suffered a permanent impairment in value.

Since that date, fair value is determined based on available information using a multi-criteria valuation approach, including the discounted future cash flows, sum-of-the-digits and net asset value methods as well as analysis of ratios commonly used to assess future yields and exit opportunities for each line of securities (see note below on securities). The effect of this change of method on 2001 net income would not have been material.

Application by the BNP Paribas Group of decree no.2002-970 amending the Insurance Code and Comité de la Réglementation Comptable standard CRC 2002-09 concerning the use and accounting treatment of forward financial instruments by insurance companies did not have a material impact on opening shareholders' equity at 1 January 2003 and does not affect year-on-year comparisons.

Application of the opinion issued on 21 January 2004 by the Comité d'Urgence du Conseil National de la Comptabilité (French National Accounting Board Urgent Issues Taskforce) concerning the accounting treatment in the consolidated financial statements of the liquidity risk reserve pursuant to decree no.2003-1236 of 22 December 2003 dealing with the rules for setting up said reserve does not affect the Group's financial statements. In its consolidated financial statements, the Group has always set aside in full the liquidity risk reserve, both for its French and foreign subsidiaries.

Standard CRC 2002-10 relating to the depreciation, amortisation and impairment of assets - amended by Standard CRC 2003-07 of 12 December 2003 - contains measures concerning the date and consequences of the standard's first-time application, which is compulsory from 1 January 2005. The Group has not opted for early application and is not affected by the applicable transitional measures relating to provisions for major repairs. Moreover, as the Group has not identified any material expenses relating to major repairs based on multi-year programmes, this standard had no impact on the Group's opening shareholders' equity at 1 January 2003.

Standard CRC 2002-03 dealing with credit risks, the classification methods to be applied to doubtful and restructured loans, and loan restructurings at below market rates of interest, has been adopted as from 1 January 2003, based on the opinion issued by the Comité d'Urgence du CNC (no. 2003-G) on 18 December 2003, and the CNC's press release of 21 November 2003. For the BNP Paribas Group, the effect of applying this method was a reduction in opening shareholders' equity at 1 January 2003 of EUR 33 million after tax, corresponding to the difference between the new interest rate on restructured loans classified as sound and the lower rate between the original rate of interest and the market rate prevailing on the restructuring date. The discounted interest differential will be taken into account in determining the lending margin on the loans concerned. Application of the new standard led to the reclassification under irrecoverable loans of EUR 540 million worth of loans previously considered as giving rise to a country risk. The loans in question consist of restructured loans that are once again in default. The corresponding provisions, in the amount of EUR 273 million, which were previously included in provisions for country risks, were reclassified in 2003 under provisions for specific risks (note 8).

This standard also introduced two sub-categories of loans: sound loans restructured not at market terms, which are included under sound loans, and irrecoverable loans which are included under doubtful loans.

The Comité d'Urgence's opinion dated 21 January 2004 provides guidelines on the accounting treatment of the consequences of certain provisions of the Pensions Reform Act (Act no. 2003-775 dated 21 August 2003). Under the new rules, employees can elect to retire before the age of 65, but cannot be required to do so by their employer. The statutory retirement bonus payable when they retire is subject to payroll taxes. Previously, retirement bonuses paid to employees who retired at their employer's request were exempt from payroll taxes. The actuarial assumptions used to calculate the related benefit obligation have been revised to take account of these changes, leading to an additional cost of EUR 229 million provided for in full in 2003, in accordance with Group policies.

NOTE 1 (CONT'D) – ACCOUNTING POLICIES

PRINCIPLES AND BASIS OF CONSOLIDATION

SCOPE OF CONSOLIDATION

The consolidated financial statements include the financial statements of BNP Paribas and of all subsidiaries whose financial statements are material in relation to the consolidated financial statements of the Group as a whole. Subsidiaries are considered as being material if they contribute over EUR 8 million to consolidated net banking income, EUR 4 million to gross operating income or income before tax and amortisation of goodwill or EUR 40 million to total consolidat ed assets. Companies that hold shares in consolidated companies are also consolidated.

Entities over which a Group company exercises de facto control, by virtue of contractual provisions or provisions of the entity's bylaws, are consolidated even in cases where the Group does not hold an interest in their capital. However, entities in which powers are not exercised in the sole interests of a Group company but in a fiduciary capacity on behalf of third parties and in the interests of all of the parties invol ved, none of which exercises exclusive control over the entity, are not consolidated.

De facto control is considered as being exercised when more than one of the following three criteria are met:

- The Group has decision-making and management powers over the routine operations or the assets of the entity, as evidenced in particular by the power to wind up the business, amend its articles of association or formally oppose any such amendments;
- The Group is entitled to all or the majority of the entity's profits, whether distributed or appropriated to reserves, and has the right to sell one or several assets and to benefit from any assets remaining after the entity has been liquidated;
- The Group is exposed to the majority of the risks relating to the entity. This is the case if a Group company gives a guarantee to external investors, in order to significantly reduce those investors' risk.

The first of the above three criteria is critical to assessing whether de facto control is exercised over entities set up in connection with the sale of proprietary loan portfolios, including *fonds communs de créances* (securitization funds) governed by French law and foreign entities offering equivalent guarantees to those existing in France.

Entities whose shares have been acquired exclusively with a view to their subsequent disposal are not consolidated. This is the case of shares which are intended to be sold in connection with the active management of the portfolio held by BNP Paribas Capital. Additionally, if the Group's ability to control the operating policies and assets of a subsidiary or affiliate is severely and permanently restricted, the subsidiary or affiliate is not consolidated. Shares in these companies are recorded in the consolidated balance sheet under "Investments in non-consolidated undertakings and other participating interests".

CONSOLIDATION METHODS

- **Fully-consolidated Companies**

Subsidiaries over which the Group exercises exclusive control are fully consolidated, including subsidiaries whose financial statements are presented in a different format and which are engaged in a business that represents an extension of the Group's banking and financial services businesses or a related business, including insurance, real estate investment, real estate development and data processing services.

Exclusive control is considered as being exercised in cases where the Group is in a position to manage the subsidiary's financial and operating policies with a view to benefiting from its business, as a result of:

- direct or indirect ownership of the majority of voting rights of the subsidiary;

- the designation in two successive years of the majority of the members of the Board of Directors, Supervisory Board or equivalent. This is considered to be the case if a Group company holds over 40% of the voting rights during the two-year period and no other shareholder holds a larger percentage, directly or indirectly;

- the right to exercise dominant influence over the subsidiary by virtue of contractual provisions or provisions of the bylaws, provided that the Group company exercising the dominant influence is a shareholder or partner of the subsidiary. Dominant influence is considered as being exercised in cases where the Group company is in a position to use or decide on the utilisation of the subsidiary's assets, liabilities or off balance sheet items as if they were its own. In the absence of contractual provisions or provisions of the bylaws, a Group company is considered as exercising dominant influence over a credit institution in cases where it holds at least 20% of the voting rights and no other shareholder or group of shareholders holds a larger percentage.

- **Proportionally-consolidated Companies**

Jointly-controlled companies are consolidated by the proportional method. Joint control is considered as being exercised in cases where the concerned company is managed jointly by a limited number of shareholders or partners which together determine the company's financial and operating policies.

NOTE 1 (CONT'D) – ACCOUNTING POLICIES

- **Companies Accounted for by the Equity Method**

Companies in which the Group exercises significant influence over financial and operating policies without having control are accounted for by the equity method. Significant influence may be exercised through representation on the Board of Directors, Supervisory Board or equivalent, or participation in strategic decisions, or as a result of significant business dealings with the company, or exchanges of management personnel or technical dependence. Significant influence over financial and operating policies is considered as being exercised in cases where the Group holds at least 20% of the voting rights, directly or indirectly.

Companies that are less than 20% owned are not consolidated except in cases where they constitute a strategic investment and the Group effectively exercises significant influence. This is the case of companies developed in partnership with other groups, where the BNP Paribas Group participates in strategic decisions affecting the company as a member of the Board of Directors, Supervisory Board or equivalent, exercises influence over the company's operational management by supplying management systems or decision-making aids and provides technical assistance to support the company's development.

CONSOLIDATION PRINCIPLES

Cost of Shares in Consolidated Companies, Goodwill, Valuation Adjustments

- **Cost of Shares in Consolidated Companies**

The cost of shares in consolidated companies is equal to the purchase price paid to the vendor by the buyer plus material transaction costs, net of the corresponding tax savings.

- **Goodwill**

Goodwill, corresponding to the difference between the cost of shares in consolidated companies and the Group's equity in the assets, liabilities and off balance sheet items of the company at the date of acquisition, after valuation adjustments, is amortised by the straight-line method over the estimated period of benefit, not to exceed 20 years. The amortisation period is determined on a case-by-case basis depending on the specific conditions relating to each acquisition.

Where there is an indication that the recoverable value of goodwill could be lower than its net carrying value, an impairment test is carried out in order to assess whether an impairment loss should be recorded. The impairment test may be based on several different methods, depending on the business concerned, including discounted future cash flows estimated using the company's medium-term business plan.

- **Valuation Adjustments**

Valuation adjustments, corresponding to the difference between the amount of assets, liabilities and off balance sheet items of the acquired company as restated according to Group accounting policies and their book value in the accounts of the acquired company, are recorded in the consolidated balance sheet in accordance with generally accepted accounting principles applicable to the items concerned.

Valuation adjustments of assets and liabilities of companies accounted for under the equity method are included in "Investments in companies carried under the equity method".

Change in Percent Interests in Consolidated Companies

In the case of an increase in the Group's percent interest in a consolidated company, additional goodwill is recorded and amortised by the method described above. If the Group's percent interest is reduced without resulting in the subsidiary being deconsolidated, a corresponding percentage of the unamortised goodwill is written off. This is the case, in particular, following a capital transaction that has the effect of diluting the interest of the company holding the shares.

Intercompany Balances and Transactions

Income and expenses on material intercompany transactions involving fully or proportionally consolidated companies or companies accounted for by the equity method are eliminated in consolidation. Intercompany receivables, payables, commitments, income and expenses between fully or proportionally consolidated companies are also eliminated.

Lease Financing

Finance leases where the Group is lessor are recorded in the consolidated balance sheet under "Leasing receivables" in an amount corresponding to the net investment in the lease and not the net book value in the individual company accounts determined in accordance with legal and tax rules. Lease payments are analysed between amortisation of the net investment and interest income.

Deferred taxes are recorded on the total difference between accumulated book depreciation of the leased assets and accumulated amortisation of the net investment in the lease. This difference is recorded under "Shareholders' equity" net of deferred taxes.

Foreign Currency Translation

All monetary and non-monetary assets and liabilities of foreign subsidiaries and branches that are denominated in foreign currencies are translated at the year-end exchange rate. Differences arising from the translation of profit and loss account items of foreign subsidiaries at the average rate for the year and the year-end rate are recorded in shareholders' equity, under "Cumulative translation adjustment", net of minority interests. The same accounting treatment is applied to differences arising from the translation of capital made available to foreign branches. Differences arising from the translation of the results of foreign branches are treated as operating positions that can be repatriated and are therefore recognised in the consolidated profit and loss account.

BNP Paribas Shares Held Within the Group

BNP Paribas shares held within the Group are valued and accounted for as follows:

- Shares acquired in order to stabilise the share price or in connection with index trading and arbitrage transactions are recorded under "Trading account securities" at their market price.

- Shares held for allocation to employees are recorded at the lower of cost and market price under "Securities available for sale". Where appropriate, a provision is booked for the difference between the cost of the shares and the exercise price of the related employee stock purchase options.

- Shares not acquired specifically for any of the above purposes or that are intended to be cancelled are deducted from consolidated shareholders' equity at cost. If the shares are subsequently sold instead of being cancelled, the gain or loss on disposal and the corresponding tax are posted to retained earnings.

Consolidation of Insurance Companies

The Group has adopted standard CRC 2000-05 requiring the application of the new French consolidation principles by insurance companies, with effect from 1 January 2001.

The financial statements of insurance companies, prepared according to these standards, are also used for BNP Paribas consolidation purposes. The balance sheet, profit and loss account and off balance sheet items of fully consolidated insurance subsidiaries are included under similar captions in the consolidated financial statements, with the exception of the following items:

- **Insurance company investments**

The investments of insurance companies include admissible assets related to unit-linked business, as well as property investments and various other investments, including shares in related companies, related to life and other business. Property investments are stated at cost, excluding transaction costs. Buildings are depreciated over their estimated useful lives. Admissible assets related to unit-linked business are stated at the realisable value of the underlying assets at the year-end. Fixed or variable income marketable securities are stated at cost. Fixed income securities are valued and accounted for using the same method as debt securities held to maturity. However, when the market value of listed variable income securities permanently remains more than 20% below their net book value (30% for securities traded on volatile markets) for a period of over six months, an analysis is carried out to ascertain whether or not it is necessary to record a provision for permanent impairment in value. If such a provision is considered necessary, it is calculated based on the realisable value of the securities concerned. Realisable value is determined using a multi-criteria approach including the discounted future cash flows and net asset value methods, as well as analysis of ratios commonly used to assess future yields and exit opportunities. The valuation is performed separately for each line of securities, taking into account the planned holding period. Securities held for sale are written down to their probable realisable value, based on stock market prices, where appropriate.
In addition, if the aggregate book value of property and variable income instruments is higher than their aggregate market value, a reserve is set up for the difference. This reserve is set up for all net unrealised gains on the assets concerned.

- **Technical reserves of insurance companies**

Technical reserves correspond to the insurance company's commitments towards policyholders and the insured. Technical reserves for unit-linked business are determined based on the value of the underlying assets at the year-end. Life premium reserves consist primarily of mathematical reserves corresponding to the difference between the present value of the insurer's commitments and those of the policyholder, taking into account the probability of their settlement. Non-life technical reserves include unearned premium reserves (corresponding to the fraction of written premiums relating to the following year or years) and outstanding claims reserves, which include reserves for claims handling costs.

NOTE 1 (CONT'D) – ACCOUNTING POLICIES

In the individual statutory accounts of Group insurance companies, a capitalisation reserve is set up at the time of sale of amortisable securities, in order to defer part of the net realised gain and thus maintain the yield-to-maturity of the portfolio of admissible assets. In the consolidated financial statements, the bulk of this reserve is reclassified under "Policyholders' surplus". Policyholders' surplus also includes the funds set aside to top up the return offered to holders of life insurance policies in future years, as necessary.

- **Underwriting Result and Net Investment Income of Insurance Companies**

This caption mainly includes earned premiums, paid claims and changes in outstanding claims reserves, and net investment income, excluding profits on intercompany transactions with Group banking entities.

OTHER SIGNIFICANT ACCOUNTING POLICIES

INTERBANK AND MONEY MARKET ITEMS, CUSTOMER ITEMS

Amounts due from credit institutions include all subordinated and unsubordinated loans made in connection with banking transactions with credit institutions, with the exception of debt securities. They also include assets purchased under resale agreements, whatever the type of assets concerned, and receivables corresponding to securities sold under collateralised repurchase agreements. They are broken down between demand loans and deposits and term loans and time deposits.

Amounts due from customers include loans to customers other than credit institutions, with the exception of loans represented by debt securities issued by customers, assets purchased under resale agreements, whatever the type of assets concerned, and receivables corresponding to securities sold under collateralised repurchase agreements. They are broken down between commercial loans, customer accounts in debit and other loans.

Outstanding loans and confirmed credit facilities are analysed between sound loans – including sound restructured loans – and doubtful loans. The same analysis is performed for credit risks attached to forward financial instruments whose present value represents an asset for the Group.

Credit risks on outstanding loans and confirmed credit facilities are monitored using an internal rating system, based on two key parameters: the probability of default by the counterparty, expressed as a rating, and the overall recovery rate determined by reference to the type of transaction. There are 12 counterparty ratings, ten covering sound loans and two corresponding to doubtful loans and loans classified as irrecoverable.

Doubtful loans are defined as loans where the bank considers that there is a risk of borrowers being unable to honour all or part of their commitments. This is considered to be the case of all loans on which one or more instalments are more than three months past-due (six months in the case of real estate loans and 12 months for loans to local governments), as well as loans for which legal collection procedures have been launched. When a loan is classified as doubtful, all other loans and commitments to the debtor are automatically assigned the same classification.

A provision is booked on these loans, in an amount corresponding to the portion of the outstanding principal that is not expected to be recovered plus unpaid interest. In all cases, the provision at least covers the total amount of accrued interest, unless the value of the guarantees held by the bank covers the principal and all or part of the interest due. Guarantees include mortgages and pledges on assets, as well as credit derivatives acquired by the Bank as a protection against credit losses.

In the case of doubtful loans where the debtor has resumed making regular payments in accordance with the original repayment schedule, the loan is reclassified as sound. Doubtful loans that have been restructured are also reclassified as sound, provided that the restructuring terms are met. If a restructured loan reclassified as sound is not at market terms, it is recorded in a separate account at nominal value less a discount corresponding to the difference between the new interest rate and the lower rate between the original rate of interest and the market rate prevailing at the time of the restructuring. If any instalments on a restructured loan are not paid, whatever the terms of the restructuring, the loan is permanently reclassified as irrecoverable.

Small loans to private individuals in France which have been the subject of a "Neiertz Act" restructuring (loans to consumers who have accumulated unmanageable levels of debt) are reclassified as sound only when the account manager is satisfied that the client will be able to fulfil his or her repayment commitments until the entire loan has been repaid. No discount is applied to loans that are reclassified as sound, mainly by the specialised credit companies. However, a statistical provision is recorded, based on the estimated risk of losses. This provision is at least equal to the sum of the discounts that would have been deducted from the loans' carrying value.

Irrecoverable loans include loans to borrowers whose credit standing is such that after a reasonable time recorded in doubtful loans, no reclassification as sound loans is foreseeable, loans where an event of default has occurred, restructured loans where the borrower has once again defaulted, and loans classified as doubtful for more than one year that are in default and are not secured by guarantees covering substantially all of the amount due.

Irrecoverable loans are written off when all legal and other avenues open to the Bank to secure payment of the amounts due have been exhausted.

NOTE 1 (CONT'D) – ACCOUNTING POLICIES

Interbank and customer items are stated at their nominal value plus accrued interest. Discounts on restructured loans calculated as described above are deducted from the carrying value of the loan and amortised over the remaining life of the loan by the yield-to-maturity method.

Provisions for credit risks on assets are deducted from the carrying value of the assets. Provisions recorded under liabilities include provisions related to off balance sheet commitments, provisions for losses on interests in real estate development programmes, provisions for claims and litigation, provisions for unidentified contingencies and provisions for unforeseeable industry risks.

Additions to and recoveries of provisions, write-offs of bad debts, recoveries on loans covered by provisions and discounts calculated on restructured loans are recorded in the profit and loss account under "Net additions to provisions for credit risks and country risks", with the exception of additions to provisions for accrued interest on non-performing loans which are included in net banking income together with the interest accrual. Amortisation of discounts on restructured loans, calculated by the yield-to-maturity method, is included in net banking income along with the interest on the loans.

Accrued interest is recorded periodically on sound loans – including restructured loans – and on doubtful loans that are not classified as irrecoverable. Interest on doubtful loans classified as irrecoverable is recorded in the profit and loss account on a cash basis.

SECURITIES

The term "securities" covers interbank market securities (mainly promissory notes and mortgage notes); Treasury bills and negotiable certificates of deposit; bonds and other fixed income instruments (whether fixed- or floating-rate); and equities and other variable income instruments.

In application of standard CRC 2000-02, securities are classified as "Trading account securities", "Securities available for sale", "Equity securities available for sale in the medium-term", "Debt securities held to maturity", "Equity securities held for long-term investment", "Other participating interests", and "Investments in non-consolidated undertakings". Investments in companies carried under the equity method are recorded on a separate line of the consolidated balance sheet.

Where a credit risk has occurred, fixed income securities held in the "available for sale" or "held to maturity" portfolio are classified as doubtful, based on the same criteria as those applied to doubtful loans and commitments.
Variable income securities may also be classified as doubtful if an issuer default risk has occurred. This is the case, in particular, where the issuer has filed for bankruptcy.

When securities exposed to counterparty risk are classified as doubtful and the related provision can be separately identified, the corresponding charge is included in "Provisions for credit risks and country risks".

- **Trading Account Securities**

Securities held for up to six months are recorded under "Trading account securities" and valued individually at market. Changes in market values are posted to income.

- **Securities available for sale**

This category includes securities held for at least six months, but which are not intended to be held on a long-term basis.

Bonds and other fixed income instruments are valued at the lower of cost (excluding accrued interest) and probable market value, which is generally determined on the basis of stock market prices. Accrued interest is posted to the profit and loss account under "Interest income on bonds and other fixed income instruments".

The difference between cost and the redemption price of fixed income securities purchased on the secondary market is prorated over the life of the securities and posted to the profit and loss account. In the balance sheet, their carrying value is amortised to their redemption value over their remaining life.

Equities are valued at the lower of cost and probable market value, which is generally determined on the basis of stock market prices, for listed equities, or the BNP Paribas Group's share in net assets calculated on the basis of the most recent financial statements available, for unlisted equities. Dividends received are posted to income under "Income on equities and other variable income instruments" on a cash basis.

The cost of sold securities available for sale is determined on a first in, first out (FIFO) basis. Disposal gains or losses and additions to and reversals of lower of cost and market provisions are reflected in the profit and loss account under "Net gains on sales of securities available for sale".

NOTE 1 (CONT'D) – ACCOUNTING POLICIES

- **Equity Securities Available for Sale in the Medium-Term**

This category corresponds to investments made for portfolio management purposes, with the aim of realising a profit in the medium term without investing on a long-term basis in the development of the issuer's business. "Equity securities available for sale in the medium-term" include venture capital investments.

"Equity securities available for sale in the medium-term" are recorded individually at the lower of cost and fair value. Fair value takes into account the issuer's general development outlook and the planned holding period. The fair value of listed stocks corresponds primarily to the average stock market price determined over an appropriately long period.

- **Debt securities held to maturity**

Fixed income securities (mainly bonds, interbank market securities, Treasury bills and other negotiable debt securities) are recorded under "Debt securities held to maturity" to reflect the BNP Paribas Group's intention of holding them on a long-term basis, in principle to maturity. Bonds classified under this heading are financed by matching funds or hedged against interest rate exposure to maturity.

The difference between cost and the redemption price of these securities is prorated over the life of the securities in the profit and loss account. In the balance sheet, their carrying value is amortised to their redemption value over their remaining life.

Interest on debt securities held to maturity is posted to income under "Interest income on bonds and other fixed income instruments".

A provision is made when a decline in the credit standing of an issuer jeopardises redemption at maturity.

- **Equity securities held for long-term investment**

This category includes shares and related instruments that the BNP Paribas Group intends to hold on a long-term basis in order to earn a satisfactory long-term rate of return without taking an active part in the management of the issuing company but with the intention of promoting the development of lasting business relationships by creating special ties with the issuer.

"Equity securities held for long-term investment" are recorded individually at the lower of cost and fair value. Fair value is determined based on available information using a multi-criteria valuation approach, including the discounted future cash flows, sum-of-the-digits and net asset value methods as well as analysis of ratios commonly used to assess future yields and exit opportunities for each line of securities. For simplicity, listed securities acquired for less than EUR 10 million may be valued based on the average stock market price over the last three months.

Gains and losses on sales of equity securities held for investment and provision movements are reported in the profit and loss account under "Gains (losses) on disposals of long-term assets".

Dividends received are posted to income under "Income on equities and other variable income instruments" on a cash basis.

- **Non-Consolidated Undertakings and Other Participating Interests**

This category includes affiliates in which the Group exercises significant influence over management and investments considered strategic to the Group's business development. This influence is deemed to exist when the Group holds an ownership interest of at least 10%.

Investments in non-consolidated undertakings and other participating interests are recorded individually at the lower of cost and fair value. Fair value is determined based on available information using a multi-criteria valuation approach, including the discounted future cash flows, sum-of-the-digits and net asset value methods as well as analysis of ratios commonly used to assess future yields and exit opportunities for each line of securities. For simplicity, listed securities acquired for less than EUR 10 million may be valued based on the average stock market price over the last three months.

Disposal gains or losses are recorded as "Gains (losses) on disposals of long-term assets" in the profit and loss account.

Dividends are posted to "Income on equities and other variable income instruments" when they have been declared by the issuers' shareholders or on a cash basis when the shareholders' decision is not known.

- **Investments in Companies Carried under the Equity Method**

Changes in net assets of companies carried under the equity method are posted to assets under "Investments in companies carried under the equity method" and to consolidated reserves under "Retained earnings".

Valuation adjustments to these companies' assets and liabilities, recorded at the time of acquisition, are included in "Investments in companies carried under the equity method".
Goodwill arising on acquisition of companies carried under the equity method is recorded in "Goodwill".

NOTE 1 (CONT'D) – ACCOUNTING POLICIES

FIXED ASSETS

In 1991 and 1992, as allowed by French regulations, Banque Nationale de Paris transferred its main operating real estate holdings to its subsidiary Compagnie Immobilière de France. This transaction covered wholly-owned buildings and buildings leased to BNP SA (the parent company) by one of its specialised subsidiaries. These buildings are intended to be held on a long-term basis. The revaluation arising from this transaction has been posted to consolidated shareholders' equity net of the related deferred tax effect and a provision for deferred taxes has been recorded. Effective from 1994, the resulting unrealised capital gain is being written back to the consolidated profit and loss account in proportion to the additional depreciation charge taken by Compagnie Immobilière de France.

In order to reflect what appeared to be a lasting decline in the real estate market, the BNP Group wrote down the book value of the above real estate in 1997. The impact of this adjustment, net of the related deferred tax effect, was posted to consolidated shareholders' equity, consistent with the initial adjustment. This adjustment therefore has no impact on consolidated net income.

Other buildings and equipment are stated at cost or valued in accordance with France's appropriation laws of 1977 and 1978. Revaluation differences on non-depreciable assets, recorded at the time of these legal revaluations, have been included in share capital.

Assets leased by the Bank from specialised subsidiaries are recorded as buildings, equipment and other under "Tangible and intangible assets".

The restructured real estate portfolio is depreciated over a fifty-year period starting from the date of transfer using the straight-line method. Depreciation of other fixed assets is computed using the straight-line method over their estimated useful lives.

BNP Paribas and its French subsidiaries depreciate tangible assets by the accelerated method in their individual company accounts. In the consolidated financial statements, depreciation is adjusted (in most cases using the straight-line method) to write off the cost of the depreciable assets over their estimated useful lives. Deferred taxes are calculated on the adjustment.

Depreciation of assets leased from Group leasing subsidiaries is reflected in the profit and loss account under "Depreciation, amortisation and provisions on tangible and intangible assets".

The capitalised cost of software purchased or developed for internal use is recorded under "Intangible assets" and amortised by the straight-line method over the probable period of use of the software, not to exceed 5 years.

Trade marks identified by the Group which have been acquired in a business combination are tested for impairment when there is an indication that they may be impaired.

INTERBANK AND MONEY-MARKET ITEMS AND CUSTOMER DEPOSITS

Amounts due to credit institutions are analysed between demand accounts and time deposits and borrowings. Customer deposits are analysed between regulated savings accounts and other customer deposits. These captions include securities and other assets sold under repurchase agreements. Accrued interest is recorded on a separate line.

DEBT SECURITIES

Debt securities are analysed between retail certificates of deposit, interbank market securities, negotiable certificates of deposit, bonds and other debt instruments. This caption does not include subordinated notes which are recorded under "Subordinated debt".

Accrued interest on debt securities is recorded on a separate line of the balance sheet and is debited to the profit and loss account.

Bond issue and redemption premiums are amortised by the yield-to-maturity method over the life of the bonds. Bond issuance costs are amortised by the straight-line method over the life of the bonds.

COUNTRY RISK PROVISIONS

Provisions for country risk are based on the evaluation of non-transfer risk related to the future solvency of each of the countries at risk and on the systemic credit risk incurred by debtors in the event of a constant and durable deterioration of the overall situation and economies of these countries. Country risk provisions and writebacks are reflected in the profit and loss account under "Net additions to provisions for credit risks and country risks".

PROVISIONS FOR UNFORSEEABLE INDUSTRY RISKS

The Group records provisions for unforeseeable industry and other risks in order to cover losses and expenses that are not certain of being incurred and the amount of which cannot be reliably estimated. These provisions are reversed and replaced by specific provisions in cases where the loss or expense becomes certain and can be reliably estimated.

NOTE 1 (CONT'D) – ACCOUNTING POLICIES

RESERVE FOR GENERAL BANKING RISKS

The BNP Paribas Group has set up a reserve for general banking risks in accordance with the principle of prudence.

Specific additions to, and deductions from, this reserve are reflected in the profit and loss account under "Movements in the reserve for general banking risks".

PROVISIONS NOT SET UP IN CONNECTION WITH BANKING OR BANKING-RELATED TRANSACTIONS

The Group records provisions for clearly identified risks and charges, of uncertain timing or amount. In accordance with current regulations, these provisions which are not connected with banking or banking-related transactions may only be recorded if the Group has an obligation to a third party at the year-end and no equivalent economic benefits are expected from that third party.

FORWARD FINANCIAL INSTRUMENTS

Forward financial instruments are purchased on various markets for use as specific or general hedges of assets and liabilities and for position management purposes.

- **Market Value of Financial Instruments**

Financial instruments are measured based on their market value when they are listed, or based on internal models where no organised market exists. The value determined by applying these models is adjusted to take into account inherent model and liquidity risks.
The market value of financial instruments for which a quoted price is not directly available is determined on the basis of the price of transactions carried out close to the year-end or prices obtained from brokers or counterparties, backed up by qualitative analyses.

- **Forward Interest Rate Instruments**

Interest rate futures and options contracts forming part of the trading portfolio and traded on organised exchanges are marked to market at the balance sheet date. Realised and unrealised gains and losses are taken to income under "Net gains (losses) on sales of trading account securities".

Gains and losses on certain OTC contracts representing isolated open positions are taken to income either when the contracts are unwound or on an accruals basis, depending on the nature of the instruments. Provisions for contingencies are booked to cover unrealised losses on a contract by contract basis, taking into account potential gains and losses on related specific hedges.

Income and expenses on interest rate contracts designated at the outset as hedging operations are recognised on a symmetrical basis with the income or expense on the underlying instrument.

- **Forward Currency Instruments**

Options contracts are marked to market and the resulting unrealised gains and losses are posted to income. A similar treatment is used for forward exchange contracts bought and sold for trading purposes. Hedging contracts are valued at the spot rate prevailing at the end of the year. Differences between the spot and forward rates (contango and backwardation) for hedged forward currency transactions are recognised on an accruals basis and posted to the profit and loss account over the life of the hedged transaction.

- **Equity And Equity Index Derivatives**

The BNP Paribas Group buys and sells equity and equity index options for trading and hedging purposes. In the case of trading transactions, unrealised gains and losses on contracts that have not been unwound by the balance sheet date are posted directly to income. Gains and losses on equity and equity index contracts designated as hedges are recognised on a symmetrical basis with the gain or loss on the underlying hedged instrument.

- **Composite Instruments**

Composite instruments (synthetic combinations of instruments recorded as a single instrument) are valued by aggregating the individual values of each basic instrument included in the composite. However, they are recorded for accounting purposes as a single instrument, with a single notional value off balance sheet and a single net movement in the consolidated profit and loss account.

- **Credit Risk Management Instruments**

Instruments intended to protect loan portfolios against counterparty risks are treated as guarantees received. Credit derivatives purchased and sold in connection with trading transactions and structured product sales are valued using internal models, based on market data where available. The revenue determined by applying these models is adjusted to take into account inherent model and liquidity risks.

NOTE 1 (CONT'D) – ACCOUNTING POLICIES

CORPORATE INCOME TAX

BNP Paribas Group companies are subject to corporate income tax based on rules and rates prevailing in the countries in which they operate. In France, the standard corporate income tax rate is 33 1/3%. Long-term capital gains are taxed at a rate of 19%. Gains and losses on securities in the portfolios are taxed at the standard corporate income tax rate of 33 1/3%, with the exception of gains and losses on disposals of investments in non-consolidated undertakings which are taxed at the reduced rate applicable to long-term capital gains. Effective from 31 December 2000, dividends received from companies in which the BNP Paribas Group has an ownership interest of more than 5% are non-taxable.

The French government imposed a 6% surtax on corporate income for 2001. The rate of this surtax was reduced to 3% from 2002. A further 3.3% surtax has been levied on corporate income as of 1 January 2000. The BNP Paribas Group has taken these surtaxes into account to determine current taxes for each period concerned, and has used the liability method to adjust the amount of deferred taxes in cases where the surtaxes are expected to apply when the timing differences reverse.

A charge for corporate income tax is taken in the period in which the related taxable income and expenses are booked, regardless of the period in which the tax is actually paid. BNP Paribas Group companies recognise deferred taxes for all temporary differences between the book value of assets and liabilities and their tax basis according to the liability method. Recognition of deferred tax assets depends on the probability of recovery.

PROFIT SHARING

As required by French law, BNP Paribas and its French subsidiaries provide for profit sharing in the year in which the profit arises, and report the provision under salaries in "Operating expense" in the consolidated profit and loss account.

PENSIONS AND OTHER POST-RETIREMENT BENEFIT OBLIGATIONS

Provision is made for long-service awards, supplementary pension benefits and other awards payable to active and retired employees, except where employer contributions are in full discharge of any future liabilities, in which case the contributions are charged to the profit and loss account in the period of payment .

PENSION OBLIGATIONS TOWARDS RETIRED EMPLOYEES

Upon retirement, BNP Paribas Group employees receive pensions according to the laws and practices prevailing in the countries where BNP Paribas Group companies operate.

In France, retired employees of the BNP Paribas Group's banking subsidiaries and affiliates are entitled to the following pension benefits starting 1 January 1994, pursuant to an industry-wide agreement on pensions signed in September 1993 between the Association Française des Banques and employee representatives:

- retirees receive pension benefits from the social security system and two nation-wide organisations, which are financed by contributions received from employers and employees. The systems operate on a pay-as-you-go basis.

- retirees receive additional benefits relative to services rendered prior to 1 January 1994, from the pension fund of the BNP Paribas Group and the banking industry pension funds with which certain French subsidiaries are affiliated. Funding for these additional benefits is provided by transfers from the pension funds' existing reserves and, if necessary, by employer contributions, which are limited to a percentage of payroll costs. The amount of such additional benefits is adjusted to reflect the funding level of the pension funds and may consequently be reduced in due proportion.

The contributions paid by BNP Paribas to these schemes are recorded in expenses for the period.

The working capital contributions made to the two nation-wide pension organisations in 1994 are treated as prepaid expenses and amortised over the average number of years left to retirement of BNP SA participating employees, which is currently twenty years. For Paribas employees, the contribution has been deducted from the reserves of the Paribas pension fund.
Outside France, BNP Paribas Group companies and their employees contribute to mandatory pension plans which are generally managed by independent organisations.

For defined benefit plans, the Group records provisions for benefit obligations where the present value of the obligation exceeds the market value of the plan assets. Benefit obligations are determined on an actuarial basis at each year end. The year-on-year increase or decrease in the net funded obligation, corresponding to actuarial differences arising from changes in demographic and financial assumptions or in estimated yields on plan assets, is recognised over the expected average remaining service lives of employees covered by the plans, net of an amount equal to a certain percentage of the discounted benefit obligation, set by convention at 10%. In the interest of prudence, the deferred portion of the actuarial difference is limited in all cases to an amount equivalent to that of the net change in the benefit obligation over the year.

For defined contribution plans, the Group records the contributions as an expense in the period they are paid.

NOTE 1 (CONT'D) – ACCOUNTING POLICIES

OTHER EMPLOYEE BENEFITS

Under various agreements, the BNP Paribas Group is committed to pay early retirement, retirement and seniority bonuses, healthcare costs and other benefits to its employees in France and in most of the countries in which the Group does business.

Each year, BNP Paribas estimates the net present value of these commitments and adjusts the related provision, applying the same method as for pension benefits.

RECOGNITION OF REVENUE AND EXPENSES

Interest and fees and commissions qualified as interest are recognised on an accruals basis. Fees and commissions not qualified as interest that relate to the provision of services are recognised when the service is performed.

FOREIGN CURRENCY TRANSACTIONS

Foreign exchange positions are generally valued at the official year-end exchange rate. Exchange gains and losses on transactions in foreign currency carried out in the normal course of business are recorded in the profit and loss account.

Exchange differences arising from the conversion at the year-end exchange rate of assets denominated in foreign currencies that are held on a long-term basis, including equity securities held for long-term investment, the capital made available to branches and other foreign equity investments, are not recognised in the profit and loss account.

NOTE 2 – SCOPE OF CONSOLIDATION

Changes in the scope of consolidation in 2002 and 2003 were as follows:

In 2002

Newly-consolidated companies

	Fully-consolidated companies	*Proportionally-consolidated companies*	*Companies accounted for by the equity method*
Acquisitions	Capstar Partners Llc (United States), Facet, United California Bank (merged with Bank of the West, subsidiary consolidated into Bancwest Corp.), Trinity Capital Corp. (consolidated into Bancwest Corp.), Cobepa subsidiary: Ulran, Klépierre subsidiaries: Alicentro 5 (Italy) (merged with Klecar Italia Spa), FMC (Czech Republic)	Klépierre subsidiaries: Eurocenter (Italy) (merged with PSG), IGC (Italy), PSG (Italy)	Cogent Investment Operations Ireland Ltd, Cogent Investment Operations Ltd (United Kingdom), Cogent Investment Operations Pty (Australia), Cogent Investment Operations Luxembourg Sa, Consors Discount Broker AG Group (Germany)
Companies meeting the criteria for consolidation for the first time	All In One (Germany), Antin Participation 4, Antin Participation 5, Antin Participation 7, Antin Participation 13, BNP Paribas Asset Management Institutionnels, BNP Paribas BDDI Participations, BNP Paribas Capital Trust LLC 4 (United States), BNP Paribas Capital Trust LLC 5 (United States), BNP Paribas Capstar Partners Inc (United States), BNP Paribas Cyprus Ltd (Cyprus), BNP Paribas Epargne Entreprise, BNP Paribas Equities Hong Kong Ltd, BNP Paribas Fund Services (Luxembourg), BNP Paribas Gestion Epargne Salariale, BNP Paribas New Zealand Ltd, BNP Paribas Réunion, BNP Paribas Securities Services Holdings Cy Ltd (United Kingdom), BNP Paribas Securities Services International Holding Sa, BNP Paribas Stratégies Action, Capstar Partners Sas, Cardif Levensverzekeringen Nv (Netherlands), Cardif Nederland Holding Bv, Cardif Schadeverzekeringen Nv (Netherlands), Catesienne de Participations, Cetelem Bank Gmbh (Germany), Cetelem Thailand, Cooper Neff Advisors Inc (United States), Cooper Neff Group (United States), Ejesur (Spain), Filip Partnership (United Kingdom), Hennaros Pty Ltd (Australia), Parritaye Pty Ltd (Australia), Soreco, Meunier Promotion subsidiaries (consolidated into Meunier Promotion): Gérer, Meunier Développement Sas, Snc Cézanne, Klépierre subsidiaries: Capucine Bv (Netherlands), Klecar Italia Spa, Klecar Participations Italy, Klefin Italia, Klelou SA (Portugal), Klépierre Services, Klépierre Portugal SA SGPS, Snc Galae, Snc KC5	-	BNP Andes (Peru)

Companies excluded from the scope of consolidation

	Fully-consolidated companies	*Proportionally-consolidated companies*	*Companies accounted for by the equity method*
Disposals	Banque Directe, PAI Management, Cobepa subsidiaries: Texaf, Cie Financière Africaine (formerly CFA)	-	Dongwong ITMC (South Korea), Facet
Mergers	BNP Paribas Kredit Bank AG and BNP Paribas Lease Group Gmbh (Germany) (merged with BNP Paribas Lease Groupe Sa), Natioinformatique (merged with Société Française Auxiliaire - S.F.A.), Ejenorte (Spain) (merged with Ejesur), Cobepa subsidiary: Lucht et Licht Nv (merged with Sté Financière & de Réalisation)	-	Findomestic Sviluppo (Italy) (merged with Findomestic)
Companies no longer meeting the criteria for consolidation and discontinued operations	BNP Paribas Financière du Régent (Belgium), Cardif Limitada (Brazil), Cardif Polska Life, Cardif Provita (Czech Republic), Cardif Retiro (Argentina), Cardif Slovakia, Coficape (formerly Inchcape Finance), Firem, Fund Services (Poland), Guaranteed Underwriting Agency Ltd (United Kingdom), Immo Investissements BNP, Paribas Capital Funding (United States), Pinnacle Europe (United Kingdom), Pinnacle Pet Healthcare (United Kingdom), Pinnafrica Holding Ltd (South Africa), Pinnafrica Insurance Company (South Africa), Pinnafrica Insurance Life (South Africa), Promopart BNP, Klépierre subsidiaries: Sas Baudin Levallois, Sas Curial Archereau, Sas Fontenay La Redoute, Sas Langevin Herblay, Sas Sommer Antony, Sas Varennes Ormes, Sci Levallois Michelet, Sci Paris Suffren, Snc Liège 25 Paris 8ème, Snc Université Paris 7ème	Poczsta Polska	BNP Paribas Peregrine Inc (Philippines), Forum Finances, RIVP

Changes in consolidation method

	Fully consolidated companies previously accounted for by the equity method	*Fully consolidated companies previously proportionally consolidated*	*Proportionally consolidated companies previously fully consolidated*
Change in percent interest	BNP Paribas Peregrine Services Ltd (Hong Kong), Cetelem America (Brazil)	CNH Capital Europe, CNH Capital Europe Ltd (formerly Case Credit UK Ltd) (United Kingdom)	Cobepa subsidiary: Bogerco

In 2003

Newly-consolidated companies

	Fully-consolidated companies	*Proportionally -consolidated companies*	*Companies accounted for by the equity method*
Acquisitions	Klépierre subsidiaries: Cinéma de l'esplanade (Belgium), Coimbra (Belgium), Delcis sr (Czech Republic), Klenor (Portugal), Klepierre Athinon AE (Greece), Klépierre NEA Efkarpia (Greece), Klépierre Peribola Patras AE (Greece), Sas Marseille le Merlan, SGM H1, SGS H3, SNC KC20, Vinaza (Spain), Vignate (italy).	Klépierre subsidiaries: Gondomar SGS (Portugal), Gondomar SGM (Portugal)	-
Companies meeting the criteria for consolidation for the first time	BNP Paribas Arbitrage Issuance BV (Netherlands), BNP Paribas Assurance, BNP Paribas Emissions und Handelsgesellschaft (Germany), BNP Paribas Fixed Assets Ltd (United Kingdom), BNP Paribas Capital Trust LLC 6 (United States), BNP Paribas Peregrine Securities Korea Company Ltd, BNP Paribas US Medium Term Notes Program LLC (United States), BNP Paribas RCC Incorporation (United States), BNP Paribas US Structured Medium Term LLC (United States), BNP Paribas ZAO (Russia), Crisps Ltd (Cayman Islands), Dealremote Ltd (United Kingdom), Epimetheus Investments Ltd (Cayman Islands), Eurocredito (Spain), Forsete Investments Sa (Luxembourg), FCC Domos 2003, Global Guaranteed Cliquet Investment Ltd (Cayman Islands), Global Hedged Equity Investment Ltd (Cayman Islands), Isis Factor Spa (Italy), Joconde Sa (Luxembourg), Mexita Ltd n°2 (Cayman Islands), Mexita Ltd n°3 (Cayman Islands), Mexita Ltd n°4 (Cayman Islands), Mistral Investment Sa (Luxembourg), SAS Prêts et Services, Singapore Emma Finance 1 SAS, Sirocco Investment Sa (Luxembourg), Tender Option Bond Municipal Program Spv (United States) Klépierre subsidiaries: Foncière de Louvain la Neuve (Belgium), Sci Tour Marcel Brot, Snc Sodevac, Sogecaec (Portugal)		Caisse d'Epargne Financement CEFI, Cetelem Brazil

Companies excluded from the scope of consolidation

	Fully -consolidated companies	*Proportionally -consolidated companies*	*Companies accounted for by the equity method*
Disposals	BNP Finans a/s Norge (Norway), Cobepa subsidiary: Coparin (Luxembourg), Klépierre subsidiary: Sas Center Villepinte	-	Commercial Bank of Namibia Ltd CBON
Mergers	BNP Paribas Asset Management Institutionnels (merged with BNP Paribas Asset Management Group), BNP Private Bank & Trust Cie Bahamas Ltd (merged with United European Bank Trust Nassau), BNP Paribas Fund Administration (Luxembourg), (merged with Parvest Investment Management Sa), Codexi (merged with Banexi Société Capital Risque), Paribas Santé International BV (merged with Paribas International BV), Safadeco Sa and Safadeco Sp (merged with BNP Paribas SA), UFB Factoring Italia (merged with BNP Paribas Lease Group Holding Spa), UFB Italia Spa (merged with BNP Paribas Lease Group Holding Spa), Banexi Communication, Opatra, Ottofrance International, Parfici, Paribas Santé, Société Générale Commerciale et Financière (merged with Société Centrale d'Investissement), Klépierre subsidiaries: Sas Klébureaux, Sas Daumesnil Reuilly and Sas Klécentres (merged with SA Klépierre), Cobepa subsidiaries: Group T SA (Belgium) (merged with Sté Financière & de Réalisation), Libenel BV (merged with Paribas International BV).		Cogent Investment Operations Luxembourg Sa (merged with BNP Paribas Fund Services). Consors Discount Broker AG (merged with the German subsidiary of Cortal Consors France, formerly Banque Cortal), Consors France (merged with Cortal Consors France, formerly Banque Cortal).
Companies no longer meeting the criteria for consolidation and discontinued operations	August Holdings Ltd (United Kingdom), BNP Paribas Asia Ltd (Hong Kong), BNP Paribas Investment Asia Ltd (Hong Kong), BNP Paribas Merchant Banking Asia Ltd (Singapore), BNP Paribas Panama Sa, BNP Paribas Uruguay Sa, BNP Prime Peregrine Holdings Ltd (Malaysia), BNP Securities Hong Kong Ltd, Compagnie Bancaire UK Fonds A (United Kingdom), Fleurantine de Participations, Monopoly (United Kingdom), Société Cristolienne de Participations, Wigmore Loan Finance Ltd (United Kingdom), Cobepa subsidiary: Compagnie Financière et Mobilière (Belgium), Klépierre subsidiaries: Belga Sept SA (Belgium), Sc Cecocord, Sci Boulogne d'Aguesseau, Sci Etoile Quinzième, Sci Les Ellipses, Sci Levallois Anatole France, Sci Rueil Hermes, Sci Villepinte Le Tropical, Snc 86 Anatole France, Snc Couperin Foncière, Snc Godefroy n° 8 Puteaux.	Axeria Assurance	-

Changes in consolidation method

	Fully consolidated companies previously accounted for by the equity method	*Fully consolidated companies previously proportionally consolidated*	*Proportionally consolidated companies previously fully consolidated*
Change in percent interest	BNP Andes (Peru), Cogent Investment Operations Ireland Ltd, Cogent Investment Operations Ltd (United Kingdom), Cogent Investment Operations Pty (Australia), Consors International Holding (Germany).	BNP Paribas China Limited (formerly International Bank of Paris & Shanghai)	Klépierre subsidiary: Sas Bègles d'Arcins
Compliance with Group standards	Sinvim	-	-

FULLY CONSOLIDATED COMPANIES	Group voting interest (%)	Group ownership interest (%)
Financial institutions		
IN FRANCE		
Credit institutions		
Antin Bail (1)	100.00%	100.00%
Banque de Bretagne (1)	100.00%	100.00%
Banque Financiere Cardif (1)	100.00%	100.00%
BNP Intercontinentale -BNPI (1)	100.00%	100.00%
BNP Paribas Emergis (1)	100.00%	100.00%
BNP Paribas Factor (1)	100.00%	100.00%
BNP Paribas Guadeloupe (1)	100.00%	100.00%
BNP Paribas Guyane (1)	100.00%	100.00%
BNP Paribas Lease Group (1)	99.96%	99.96%
BNP Paribas Martinique (1)	100.00%	100.00%
BNP Paribas Nouvelle Caledonie	100.00%	100.00%
BNP Paribas Private Bank (1)	100.00%	100.00%
BNP Paribas Private Bank Monaco	100.00%	99.99%
BNP Paribas Réunion (1)	100.00%	100.00%
BNP Paribas Securities Services - BP2S (1)	100.00%	100.00%
Cetelem (1)	100.00%	100.00%
Claas Financial Services	90.00%	89.96%
CNH Capital Europe	50.10%	50.08%
Cofica Bail (1)	100.00%	100.00%
Compagnie Médicale de financement de Voitures et matériels - CMV Médiforce (1)	100.00%	100.00%
Cortal Consors France (1) - (formerly Banque Cortal)	100.00%	100.00%
Crédial (1)	100.00%	100.00%
Crédit Moderne Antilles	100.00%	100.00%
Crédit Moderne Guyane	99.99%	99.99%
Crédit Moderne Océan Indien	97.81%	97.81%
Facet	90.00%	90.00%
Fidem	51.00%	51.00%
Finance et Gestion SA	70.00%	69.97%
Financière Marché Saint Honoré (1)	100.00%	100.00%
Loisirs Finance	51.00%	51.00%
Natiobail	95.14%	91.37%
Natiocrédibail	100.00%	99.96%
Natiocrédimurs (1)	100.00%	99.96%
Natioénergie	100.00%	99.96%
Norbail Snc (1)	100.00%	99.96%
Paribas Dérivés Garantis Snc (1)	100.00%	100.00%
Paricomi	100.00%	99.93%
Parilease (1)	100.00%	100.00%
Same Deutz-Fahr Finance	99.97%	99.93%
Sas Prêts et Services	100.00%	99.93%
Services et Prêts immobiliers (1)	100.00%	99.93%
UCB (1)	99.93%	99.93%
UCB Bail (1)	100.00%	99.93%
UCB Entreprises (1)	100.00%	99.93%
UCB Locabail immobilier	100.00%	99.93%
Other financial institutions		
Arius Finance (1)	100.00%	99.99%
Arius SA (1)	100.00%	99.99%
Arval ECL SAS (1)	100.00%	99.99%
Arval PHH Holding SAS (1)	100.00%	99.99%
Arval Service Lease (1)	100.00%	99.99%
B*Capital (1)	100.00%	100.00%
Banexi Société de Capital -Risque Bancaire	99.99%	99.99%
BNP Paribas Arbitrage (1)	100.00%	100.00%
BNP Paribas Asset Management (1)	100.00%	100.00%

(1) Members of the BNP Paribas SA tax group as of 1 January 2003

FULLY CONSOLIDATED COMPANIES		Group voting interest (%)	Group ownership interest (%)
Financial institutions			
IN FRANCE			
Other financial institutions (cont'd)			
BNP Paribas Asset Management Group (1)		100.00%	100.00%
BNP Paribas Développement		100.00%	100.00%
BNP Paribas Epargne Entreprise Gestion (formerly BNP Gestion Epargne Salariale) (1)		100.00%	100.00%
BNP Paribas Equities France (1)		99.96%	99.96%
BNP Paribas Equity Strategies France (1)		100.00%	100.00%
BNP Paribas Gestion Epargne Salariale (1)		100.00%	100.00%
BNP Paribas Securities Services International Holding SA (1)		100.00%	100.00%
Capstar Partners SAS		80.00%	80.00%
Cardif Asset Management (1)		100.00%	100.00%
Compagnie d'Investissements de Paris - C.I.P		100.00%	100.00%
Conseil Investissement (1)		100.00%	100.00%
Cortal Fund Management (1)		100.00%	100.00%
Financière BNP Paribas (1)		100.00%	100.00%
Gestion et Location (1)		99.99%	99.99%
Jovacienne de Participations (1)		100.00%	100.00%
SCAU (formerly Société de Courtage et d'Assurance Universel) (1)		100.00%	99.96%
Société de Renseignements Contentieux Développement – Soreco (1)		99.92%	99.92%
Société Française Auxiliaire - S.F.A. (1)		100.00%	100.00%
Truck Management Artegy (1)		100.00%	99.99%
Other financial sector companies			
Aprolis Finance		51.00%	50.98%
Cofiparc (1)		100.00%	99.99%
FCC Domos 2003		100.00%	100.00%
Nhg Guyomarc'h (1)		100.00%	100.00%
Sa Leval 3 (1)		100.00%	100.00%
Singapore Emma Finance 1 SAS (1)		100.00%	100.00%
Socappa (1)		99.93%	99.89%
OUTSIDE FRANCE			
Credit institutions			
Europe			
Banca UCB SPA	Italy	100.00%	99.96%
Banco Cetelem Portugal (formerly Cetelem SFAC)	Portugal	100.00%	100.00%
Banco Cetelem SA (formerly Banco Fimestic SA)	Spain	100.00%	100.00%
BNP Capital Finance Ltd	Ireland	100.00%	100.00%
BNP Factor	Portugal	100.00%	100.00%
BNP Paribas (Bulgaria) AD	Bulgaria	80.00%	80.00%
BNP Paribas Bank (Hungaria) RT	Hungary	100.00%	100.00%
BNP Paribas Bank (Polska) SA	Poland	100.00%	100.00%
BNP Paribas Bank NV	Netherlands	100.00%	100.00%
BNP Paribas Cyprus Ltd	Cyprus	100.00%	100.00%
BNP Paribas Espana SA	Spain	99.48%	99.48%
BNP Paribas Finance plc	United Kingdom	100.00%	100.00%
BNP Paribas Guernsey Ltd	Guernsey	100.00%	99.99%
BNP Paribas Luxembourg sa	Luxembourg	100.00%	100.00%
BNP Paribas Net Ltd	United Kingdom	100.00%	100.00%
BNP Paribas Private Bank Switzerland	Switzerland	100.00%	99.99%
BNP Paribas Suisse SA	Switzerland	99.99%	99.99%
BNP Paribas ZAO	Russia	100.00%	100.00%
Cetelem Bank Gmbh	Germany	70.00%	70.00%
Cetelem Belgium	Belgium	100.00%	100.00%
Cetelem Benelux BV	Netherlands	100.00%	100.00%
CNH Capital Europe Ltd	United Kingdom	100.00%	50.08%
Cortal Bank Luxembourg	Luxembourg	100.00%	100.00%
Evergo Finanzaria	Italy	100.00%	99.96%

(1) Members of the BNP Paribas SA tax group as of 1 January 2003

FULLY CONSOLIDATED COMPANIES		Group voting interest (%)	Group ownership interest (%)
Financial institutions			
OUTSIDE FRANCE			
Credit institutions (cont'd)			
Isis Factor SPA	Italy	100.00%	100.00%
Magyar Cetelem	Hungary	100.00%	100.00%
UCB Group Ltd	United Kingdom	100.00%	100.00%
Union de Creditos Immobiliarios – UCI	Spain	50.00%	49.97%
United European Bank Switzerland	Switzerland	100.00%	99.99%
Americas			
Banco Cetelem Argentine	Argentina	60.00%	60.00%
BancWest Corporation (Group)	United States	100.00%	100.00%
BNP Andes	Peru	100.00%	100.00%
BNP Leasing Dallas Corporation	United States	100.00%	100.00%
BNP Paribas Brasil SA	Brazil	100.00%	100.00%
BNP Paribas Canada	Canada	100.00%	100.00%
BNP Paribas North America Incorporated - Pna	United States	100.00%	100.00%
Paribas Finance Incorporated	United States	100.00%	100.00%
Paribas North America	United States	100.00%	100.00%
Paribas Principal Incorporated	United States	100.00%	100.00%
Asia-Pacific			
BNP Paribas (China) Limited (formerly International Bank of Paris and Shanghai)	People's Republic of China	100.00%	100.00%
BNP Paribas Peregrine Services Ltd	Hong Kong	100.00%	100.00%
BNP Paribas Peregrine (Singapore) Ltd	Singapore	100.00%	100.00%
Cetelem Thailand	Thailand	100.00%	100.00%
PT Bank BNP Paribas Indonesia	Indonesia	100.00%	99.99%
Africa			
Banque International Commerce et Industrie Burkina Faso	Burkina Faso	51.00%	46.84%
Banque International Commerce et Industrie Côte d'Ivoire	Ivory Coast	60.29%	58.96%
Banque International Commerce et Industrie Gabon	Gabon	46.66%	46.66%
Banque International Commerce et Industrie Sénégal	Senegal	54.11%	52.40%
Banque Malgache de l'Océan Indien	Madagascar	75.00%	75.00%
Banque Marocaine du Commerce et de l'Industrie	Morocco	53.16%	53.16%
Banque Marocaine du Commerce et de l'Industrie Leasing	Morocco	72.03%	38.29%
Banque Marocaine du Commerce et de l'Industrie Offshore	Morocco	100.00%	53.16%
Banque pour le Commerce et l'Industrie de la Mer Rouge	Djibouti	51.00%	51.00%
BNP Paribas Le Caire	Egypt	86.81%	86.81%
Union Bancaire pour le Commerce et l'Industrie	Tunisia	50.00%	50.00%
Union Tunisienne de Leasing	Tunisia	53.86%	26.93%
Other financial institutions			
Europe			
All In One Germany	Germany	100.00%	99.96%
Arval Belgium	Belgium	100.00%	99.99%
Arval Ltd	United Kingdom	100.00%	99.99%
Arval Luxembourg	Luxembourg	100.00%	99.99%
Arval Nederland	Netherlands	100.00%	99.99%
Arval PHH Deutschland Gmbh	Germany	100.00%	99.99%
Arval PHH Holdings Ltd (Group)	United Kingdom	100.00%	99.99%
Arval PHH Holdings UK Ltd	United Kingdom	100.00%	99.99%
Arval Polska	Poland	100.00%	99.99%
Arval Portugal	Portugal	100.00%	99.99%
Arval Service Lease Espagne	Spain	99.98%	99.97%
Arval Service Lease Italia	Italy	70.00%	65.07%
BNP Ireland Ltd	Ireland	100.00%	100.00%

FULLY CONSOLIDATED COMPANIES		Group voting interest (%)	Group ownership interest (%)
Financial institutions			
OUTSIDE FRANCE			
Other financial institutions (cont'd)			
Europe			
BNP Paribas Asset Management Luxembourg (formerly Parvest Investment Management SA)	Luxembourg	99.66%	99.66%
BNP Paribas Asset Management SGR Milan SPA	Italy	100.00%	100.00%
BNP Paribas Asset Management UK Ltd	United Kingdom	100.00%	100.00%
BNP Paribas Capital Markets Group Ltd	United Kingdom	100.00%	100.00%
BNP Paribas Commodity Futures Ltd	United Kingdom	100.00%	100.00%
BNP Paribas Equities Italie SIM (formerly Pasfin Sim Milan)	Italy	100.00%	100.00%
BNP Paribas E & B Ltd	United Kingdom	100.00%	100.00%
BNP Paribas Finanzaria SPA	Italy	100.00%	100.00%
BNP Paribas Fund Services	Luxembourg	100.00%	100.00%
BNP Paribas Fund Services Holdings (formerly BNP Paribas Securities Services Holdings company Ltd)	United Kingdom	100.00%	100.00%
BNP Paribas Fund Services UK Ltd (formerly Cogent Investment Operations Ltd)	United Kingdom	100.00%	100.00%
BNP Paribas Lease Group plc (Group)	United Kingdom	100.00%	99.96%
BNP Paribas Lease Group SA Belgium	Belgium	100.00%	99.94%
BNP Paribas Lease Group SA EFC	Spain	100.00%	99.96%
BNP Paribas Lease Group SPA	Italy	100.00%	99.96%
BNP Paribas Leasing Gmbh	Germany	100.00%	99.96%
BNP Paribas Lease Group Holding SPA (formerly BNP Paribas Leasing SPA)	Italy	100.00%	99.96%
BNP Paribas UK Holding Ltd	United Kingdom	100.00%	100.00%
BNP Paribas UK Holdings Ltd	United Kingdom	100.00%	100.00%
BNP Paribas UK Ltd	United Kingdom	100.00%	100.00%
Cetelem CR	Czech Republic	100.00%	100.00%
Cogent Investment Operations Ireland Ltd	Ireland	100.00%	100.00%
Compagnie Bancaire Uk Fonds C	United Kingdom	100.00%	100.00%
Consors International Holding Gmbh	Germany	100.00%	100.00%
Eurocredito	Spain	100.00%	100.00%
FILIP Partnership	United Kingdom	100.00%	100.00%
Fimestic Expansion sa	Spain	100.00%	100.00%
Leasing Handels und Service AG	Switzerland	100.00%	99.99%
Sifida	Luxembourg	72.32%	58.37%
Societe Financiere pour les pays d'Outre Mer – SFOM	Switzerland	100.00%	100.00%
Americas			
BNP Paribas Asset Management Incorporated – Pna	United States	100.00%	100.00%
BNP Paribas Brokerage Services Incorporated	United States	100.00%	100.00%
BNP Paribas Capital Trust LLC 1	United States	100.00%	0.00%
BNP Paribas Capital Trust LLC 2	United States	100.00%	0.00%
BNP Paribas Capital Trust LLC 3	United States	100.00%	0.00%
BNP Paribas Capital Trust LLC 4	United States	100.00%	0.00%
BNP Paribas Capital Trust LLC 5	United States	100.00%	0.00%
BNP Paribas Capital Trust LLC 6	United States	100.00%	0.00%
BNP Paribas Capstar Partners Inc – Pna	United States	100.00%	100.00%
BNP Paribas Commodities Futures Incorporated – Pna	United States	100.00%	100.00%
BNP Paribas Investment Services LLC	United States	100.00%	100.00%
BNP Paribas Securities Corporation – Pna	United States	100.00%	100.00%
BNP US Funding LLC	United States	100.00%	100.00%
Capstar Partners LLC	United States	75.00%	75.00%
Cooper Neff Advisors Incorporated	United States	100.00%	100.00%
Cooper Neff Group	United States	100.00%	100.00%
French American Banking Corporation - F.A.B.C – Pna	United States	100.00%	100.00%
Petits Champs Participaçoes e Serviços SA	Brazil	100.00%	100.00%

FULLY CONSOLIDATED COMPANIES		Group voting interest (%)	Group ownership interest (%)
Financial institutions			
OUTSIDE FRANCE			
Other financial institutions (cont'd)			
Asia-Pacific			
BNP Equities Asia Ltd	Malaysia	100.00%	100.00%
BNP Paribas Arbitrage (Hong Kong) Ltd	Hong Kong	100.00%	100.00%
BNP Paribas Asia Equities Ltd	Hong Kong	100.00%	100.00%
BNP Paribas Equities (Hong Kong) Ltd	Hong Kong	100.00%	100.00%
BNP Paribas Equities Group (Australia) Ltd	Australia	100.00%	100.00%
BNP Paribas Finance (Hong Kong) Ltd	Hong Kong	100.00%	100.00%
BNP Paribas Futures (Hong Kong) Ltd	Hong Kong	100.00%	100.00%
BNP Paribas New Zealand Ltd	New Zealand	100.00%	100.00%
BNP Paribas Pacific (Australia) Ltd	Australia	100.00%	100.00%
BNP Paribas Peregrine Capital Ltd	Hong Kong	100.00%	100.00%
BNP Paribas Peregrine Investments Ltd	Hong Kong	100.00%	100.00%
BNP Paribas Peregrine Ltd	Malaysia	100.00%	100.00%
BNP Paribas Peregrine Securities (Thailand) Ltd	Thailand	100.00%	100.00%
BNP Paribas Peregrine Securities Korea Company Ltd	South Korea	100.00%	100.00%
BNP Paribas Peregrine Securities Ltd	Hong Kong	100.00%	100.00%
BNP Paribas Peregrine Securities Pte Ltd	Singapore	100.00%	100.00%
BNP Paribas Securities (Australia) Ltd	Australia	100.00%	100.00%
BNP Paribas Securities Ltd	Hong Kong	100.00%	100.00%
Cogent Investment Operations Pty Australie	Australia	100.00%	100.00%
Henaross Pty Ltd	Australia	100.00%	100.00%
PT BNP Lippo Utama Leasing	Indonesia	100.00%	100.00%
Other financial sector companies			
Bergues Finance Holding	Bahamas	100.00%	99.99%
BNP Paribas Arbitrage Issuance BV	Netherlands	100.00%	100.00%
BNP Paribas Emissions und Handelsgesellschaft Gmbh	Germany	100.00%	100.00%
BNP Paribas Fixed Assets Ltd	United Kingdom	100.00%	100.00%
BNP Paribas UK Treasury Ltd	United Kingdom	100.00%	100.00%
BNP Paribas US Medium Term Notes Program LLC	United States	100.00%	100.00%
BNP Paribas US Structured Medium Term LLC	United States	100.00%	100.00%
Claas Leasing Gmbh	Germany	100.00%	89.96%
Crisps Ltd	Cayman Islands	100.00%	100.00%
Dealremote Ltd	United Kingdom	100.00%	100.00%
Epimetheus Investments Ltd	Cayman Islands	92.50%	92.50%
Fidex plc (formerly Fidex Holding Ltd)	United Kingdom	100.00%	0.00%
Forsete Investments SA	Luxembourg	100.00%	0.00%
Global Guaranteed Cliquet Investment	Cayman Islands	95.00%	95.00%
Global Hedged Equity Investment Ltd	Cayman Islands	95.00%	95.00%
Joconde SA	Luxembourg	100.00%	0.00%
Mexita Ltd N°2	Cayman Islands	90.00%	90.00%
Mexita Ltd N°3	Cayman Islands	90.00%	90.00%
Mexita Ltd N°4	Cayman Islands	90.00%	90.00%
Mistral Investments SA	Luxembourg	100.00%	0.00%
Sirocco Investments SA	Luxembourg	100.00%	0.00%
Tender Option Bond Municipal Program SPV	United States	100.00%	100.00%
Other companies			
IN FRANCE			
Real estate			
BNP Paribas Immobilier (1)		100.00%	100.00%
BNP Paribas Participations Finance Immobilier (1)		100.00%	100.00%
Great Central Railway land SA (1)		99.99%	99.99%

(1) Members of the BNP Paribas SA tax group as of 1 January 2003

FULLY CONSOLIDATED COMPANIES	Group voting interest (%)	Group ownership interest (%)
Other companies		
IN FRANCE		
Real estate (cont'd)		
Immobilière des Bergues (1)	100.00%	100.00%
Klépierre Services	100.00%	46.37%
Meunier Promotion (Group) (1)	100.00%	100.00%
SA Klépierre	53.07%	52.85%
Sas 192 avenue Charles De Gaulle	100.00%	52.85%
Sas 21 Kléber	100.00%	52.85%
Sas 21 La Perouse	100.00%	52.85%
Sas 23 avenue de Marignan (formerly Ste du 23 avenue Marignan)	99.99%	52.85%
Sas 43 Grenelle	100.00%	52.85%
Sas 43 Kléber	100.00%	52.85%
Sas 46 Notre-Dame des victoires	100.00%	52.85%
Sas 5 Turin	100.00%	52.85%
Sas Baudot Massy	100.00%	52.85%
Sas Brescia	100.00%	52.85%
Sas Cande	100.00%	52.84%
Sas Cecoville	100.00%	52.85%
Sas Centre Jaude Clermont	99.99%	52.84%
Sas Concorde Puteaux	100.00%	52.85%
Sas Doumer Caen	99.96%	52.83%
Sas Espace Dumont D'Urville	100.00%	52.85%
Sas Espace Kléber	100.00%	52.85%
Sas Flandre	100.00%	52.85%
Sas Issy Desmoulins	100.00%	52.85%
Sas Kléber Levallois	100.00%	52.85%
Sas Klecar Europe Sud	83.00%	43.87%
Sas Klefinances (1)	100.00%	100.00%
Sas Klégestion	100.00%	52.85%
Sas Klémurs	100.00%	52.85%
Sas Klépierre Conseil	100.00%	52.85%
Sas Klépierre Finance	100.00%	52.85%
Sas Klépierre Transactions	100.00%	52.85%
Sas Le Havre Capelet	100.00%	52.85%
Sas Le Havre Tourneville	100.00%	52.85%
Sas Leblanc Paris 15	100.00%	52.85%
Sas Louis David (formerly Sa Centrale Immobiliere)	100.00%	52.85%
Sas LP7	100.00%	52.85%
Sas Marseille le Merlan	100.00%	52.85%
Sas Melun Saint-Pères	99.98%	52.84%
Sas Odysseum Place de France	70.00%	36.99%
Sas Oise Cergy	50.00%	26.42%
Sas Opale	100.00%	52.85%
Sas Poitiers Aliénor	100.00%	52.85%
Sas Saint-André Pey berland	100.00%	52.85%
Sas Secmarne	61.67%	32.59%
Sas Segecar	100.00%	39.64%
Sas Ségécé	74.99%	39.64%
Sas Ségécé Loisirs Transactions	95.20%	37.73%
Sas Socoseine	100.00%	49.55%
Sas Strasbourg La Vigie	99.85%	52.77%
Sas Suffren Paris 15	100.00%	52.85%
Sas Tours Nationale	100.00%	52.85%
Sc Centre Bourse	100.00%	52.85%
Sc Solorec	88.76%	46.91%
Sci 8 Rue du Sentier	100.00%	52.85%
Sci Secovalde	40.00%	21.14%
Sci Square Chaptal Alun (formerly Sci Square Chaptal 2)	100.00%	52.85%
Sci Tour Marcel Brot	100.00%	52.85%
Setic (1)	100.00%	100.00%
SGM H1	100.00%	52.85%
SGS H3	100.00%	52.85%
Snc CB Pierre	99.00%	52.85%

FULLY CONSOLIDATED COMPANIES	Group voting interest (%)	Group ownership interest (%)
Other companies		
IN FRANCE		
Real estate (cont'd)		
Snc Foncière Saint Germain	100.00%	52.85%
Snc Galae	100.00%	46.11%
Snc Général Leclerc 11-11bis Levallois	100.00%	52.85%
Snc Jardins des Princes	100.00%	52.85%
Snc KC1	100. 00%	43.87%
Snc KC2	100.00%	43.87%
Snc KC3	100.00%	43.87%
Snc KC4	100.00%	43.87%
Snc KC5	100.00%	43.87%
Snc KC6	100.00%	43.87%
Snc KC7	100.00%	43.87%
Snc KC8	100.00%	43.87%
Snc KC9	100.00%	43.87%
Snc KC10	100.00%	43.87%
Snc KC11	100.00%	43.87%
Snc KC12	100.00%	43.87%
Snc KC20	100.00%	43.87%
Snc Kléber la Perouse	100.00%	52.85%
Snc Klecar France	83.00%	43.87%
Snc Barjac Victor (formerly Snc Le Barjac)	100.00%	52.85%
Snc Maille Nord	100.00%	52.85%
Snc Soccendre	100.00%	39.77%
Snc Sodevac	100.00%	52.85%
Insurance		
BNP Paribas Assurance	100.00%	100.00%
Cardif RD (1)	100.00%	100.00%
Cardif SA (1)	100.00%	100.00%
Cardif Sté Vie (1)	100.00%	100.00%
GIE Helios	75.90%	67.90%
Natiovie (1)	100.00%	100.00%
Other business units		
Antin Participation 4 (1)	100.00%	100.00%
Antin Participation 5 (1)	100.00%	100.00%
Antin Participation 7 (1)	95.50%	95.50%
Antin Participation 13	99.99%	95.49%
Antin Vendôme	96.77%	96.77%
Bincofi (1)	100.00%	100.00%
BNP Paribas BDDI Participations (1)	100.00%	100.00%
BNP Paribas Stratégies Actions (1)	100.00%	100.00%
Capefi (1)	100.00%	100.00%
Catesienne de Participation (1)	100.00%	100.00%
Compagnie Auxiliaire d'Entreprises et de Chemins de Fer (1)	99.99%	99.99%
Compagnie d'Entreprise Industrielle et Commerciale (1)	99.20%	99.20%
Compagnie Immobilière de France (1)	100.00%	100.00%
Foncière de la Compagnie Bancaire (1)	100.00%	100.00%
Immobilier Marché Saint-Honoré (1)	100.00%	100.00%
Kle 65 (1)	100.00%	100.00%
Kle 66 (1)	100.00%	100.00%
Norbail Location (1)	100.00%	99.96%
Omnium Gestion Développement Immobilier (1)	100.00%	100.00%
Paribas International (1)	100.00%	100.00%
Quatch (1)	99.96%	99.96%
Sagal (1)	100.00%	100.00%
Sas 5 Kéber (1)	100.00%	100.00%
Sinvim (1)	100.00%	100.00%
Société Centrale d'Investissement (1)	100.00%	100.00%

(1) Members of the BNP Paribas SA tax group as of 1 January 2003

FULLY CONSOLIDATED COMPANIES		Group voting interest (%)	Group ownership interest (%)
Other companies			
OUTSIDE FRANCE			
Insurance			
BNP de Réassurance au Luxembourg	Luxembourg	100.00%	100.00%
Cardif Assicurazioni SPA	Italy	100.00%	100.00%
Cardif Compania de Seguros de Vida	Argentina	100.00%	100.00%
Cardif do Brasil Seguros	Brazil	100.00%	100.00%
Cardif Leven	Belgium	100.00%	100.00%
Cardif Levensverzekeringen NV	Netherlands	100.00%	100.00%
Cardif Nederland Holding BV	Netherlands	100.00%	100.00%
Cardif Schadeverzekeringen NV	Netherlands	100.00%	100.00%
Compania de Seguros Generales	Chile	100.00%	100.00%
Compania Seguros de Vida	Chile	100.00%	100.00%
Cybele RE	Luxembourg	100.00%	100.00%
European Reinsurance Ltd	Guernsey	97.62%	97.62%
Investlife sa	Luxembourg	100.00%	100.00%
Luxpar-Ré	Luxembourg	100.00%	100.00%
Pinnacle Insurance	United Kingdom	97.62%	97.62%
Pinnacle Insurance Holdings	United Kingdom	97.62%	97.62%
Pinnacle Insurance Management Services	United Kingdom	97.62%	97.62%
Real estate			
Arcol	Slovakia	100.00%	52.85%
Belarcol	Belgium	100.00%	52.85%
Capucines BV	Netherlands	100.00%	52.85%
Cinéma de l'Esplanade	Belgium	100.00%	52.85%
Cinneo SRL	Italy	85.00%	44.92%
Coimbra	Belgium	100.00%	52.85%
Delcis Cr	Czech Republic	99.00%	52.32%
Ejesur	Spain	100.00%	100.00%
Foncière de Louvain la Neuve	Belgium	100.00%	52.85%
F M C	Czech Republic	75.00%	29.73%
I.C.D SPA	Italy	85.00%	44.92%
Immobiliare Magnolia	Italy	85.00%	44.92%
Klecar Foncier Espana	Spain	100.00%	43.87%
Klecar Foncier Iberica	Spain	100.00%	43.87%
Klecar Italia SPA	Italy	100.00%	43.87%
Klecar Participations Italie	Italy	83.00%	43.87%
Klefin Italia SPA	Italy	100.00%	52.85%
Klelou SA	Portugal	100.00%	52.85%
Klenor	Portugal	100.00%	52.85%
Klépierre Athinon AE	Greece	100.00%	52.85%
Klépierre NEA Efkarpia AE	Greece	100.00%	52.85%
Klépierre Peribola Patras AE	Greece	100.00%	52.85%
Klépierre Portugal SA SGPS	Portugal	100.00%	52.85%
Klétel	Portugal	100.00%	52.85%
KFM Macedonia (formerly Snc Macedonia)	Greece	100.00%	43.87%
Novate SRL	Italy	100.00%	52.85%
Sogecaec	Portugal	100.00%	39.64%
Vignate	Italy	85.00%	44.92%
Vinaza	Spain	100.00%	52.85%
Zobel Investment BV	Netherlands	100.00%	52.85%
Other business units			
BNP Paribas Capital Investments Ltd	United Kingdom	100.00%	100.00%
BNP Paribas Fleet Holdings Ltd	United Kingdom	100.00%	99.99%
BNP Paribas International BV	Netherlands	100.00%	100.00%
BNP Paribas RCC Incorporation	United States	100.00%	100.00%
BNP Paribas Services	Switzerland	100.00%	99.99%
Cetelem America	Brazil	100.00%	100.00%
Cobepa – Amparzo	Netherlands	100.00%	100.00%

FULLY CONSOLIDATED COMPANIES		Group voting interest (%)	Group ownership interest (%)
Other companies			
OUTSIDE FRANCE			
Other business units (cont'd)			
Cobepa – Cippar	Belgium	100.00%	100.00%
Cobepa – Claireville	Belgium	100.00%	100.00%
Cobepa – Cobema	Belgium	100.00%	100.00%
Cobepa – Cobepa Finance	Luxembourg	100.00%	100.00%
Cobepa – Cobepa International	Netherlands	100.00%	100.00%
Cobepa – Cobepa Technology	Belgium	100.00%	100.00%
Cobepa – Compagnie de Participations Internationales NV	Netherlands	100.00%	100.00%
Cobepa – Compagnie de Participations Internationales sa	Luxembourg	97.50%	97.50%
Cobepa – Copabel sa	Belgium	100.00%	97.50%
Cobepa – Gepeco	Belgium	100.00%	100.00%
Cobepa – Groupe Financier Liegeois	Belgium	99.60%	99.60%
Cobepa – Holnor	Netherlands	100.00%	100.00%
Cobepa – Ibel (formerly Cobepa - Belvuco)	Belgium	100.00%	100.00%
Cobepa – I.I.M	Netherlands	100.00%	100.00%
Cobepa – Ilmaco	Belgium	100.00%	100.00%
Cobepa – Libelux	Luxembourg	99.98%	99.98%
Cobepa – Mascagni	Belgium	100.00%	100.00%
Cobepa – Paribas Deelnemingen NV	Netherlands	99.70%	99.70%
Cobepa – Paribas Participation Limitée	Canada	97.50%	97.50%
Cobepa – Regio Invest Ontwik Maats	Belgium	100.00%	100.00%
Cobepa – SA Mosane	Belgium	100.00%	100.00%
Cobepa – Sté Financière et de Réalisation	Belgium	100.00%	100.00%
Cobepa – Tradexco sa	Belgium	100.00%	100.00%
Cobepa – Ulran	Luxembourg	100.00%	100.00%
Compagnie Bancaire Uk Fonds B	United Kingdom	100.00%	100.00%
Compagnie Belge de Participations Paribas – Cobepa	Belgium	100.00%	100.00%
Compagnie Financière Ottomane	Luxembourg	96.51%	96.50%
Paribas Management Services Ltd	United Kingdom	100.00%	100.00%
Paribas Trust Luxembourg	Luxembourg	100.00%	100.00%
Parritaye Pty Ltd	Australia	100.00%	100.00%
Placement, Gestion, Finance Holding - Plagefin	Luxembourg	99.99%	99.99%
Sagip	Belgium	100.00%	100.00%

PROPORTIONALLY-CONSOLIDATED COMPANIES		Group voting interest (%)	Group ownership interest (%)
Financial institutions			
IN FRANCE			
Other financial institutions			
Antarius		50.00%	50.00%
OUTSIDE FRANCE			
Credit institutions			
Europe			
BNP AK Dresdner Bank AS	Turkey	30.00%	30.00%
Findomestic	Italy	50.00%	50.00%

PROPORTIONALLY-CONSOLIDATED COMPANIES		Group voting interest (%)	Group ownership interest (%)
Financial institutions			
OUTSIDE FRANCE			
Other financial institutions			
Europe			
BNP AK Dresdner Financial Kiralama	Turkey	29.99%	29.99%
Halifax Cetelem Credit Ltd	United Kingdom	50.00%	50.00%
Other companies			
IN FRANCE			
Insurance			
Natio Assurance		50.00%	50.00%
Real estate			
Sas Bègles Arcins		50.00%	26.42%
Sas Cecobil		50.00%	26.42%
Sas Soaval		50.00%	19.82%
Sas Espace Cordeliers		50.00%	26.42%
Sas Le Havre Lafayette		50.00%	26.42%
Sas Le Havre Vauban		50.00%	26.42%
Sci Antin Vendome		50.00%	26.42%
Sci du Bassin Nord		50.00%	26.42%
OUTSIDE FRANCE			
Insurance			
Centro Vita Assicurazioni SPA	Italy	49.00%	49.00%
Real estate			
Centros Shopping Gestion	Italy	50.00%	19.82%
Gondomar SGM	Portugal	50.00%	26.42%
Gondomar SGS	Portugal	50.00%	26.42%
I G C	Italy	40.00%	21.14%
P S G	Italy	50.00%	19.82%
Other business units			
Cobepa – Bogerco	Belgium	50.00%	50.00%

COMPANIES CARRIED UNDER THE EQUITY METHOD		Group voting interest (%)	Group ownership interest (%)
Financial institutions			
IN FRANCE			
Credit institutions			
Axa Crédit		35.00%	35.00%
Banque Petrofigaz		44.81%	44.81%
Caisse d'Epargne Financement – CEFI		33.00%	33.00%
Cofinoga (Group)		44.00%	44.00%
Société Paiement PASS		40.01%	40.01%
Other financial institutions			
Laser		9.01%	9.01%
Other financial sector companies			
C.I.G - Cofidis International Groupe		15.00%	15.00%
OUTSIDE FRANCE			
Credit institutions			
Europe			
Cetelem Poslka Expansion SA	Poland	100.00%	100.00%
Consors Espana	Spain	100.00%	100.00%
Cortal Belgique	Belgium	100.00%	100.00%
Creation Financial Services	United Kingdom	49.05%	49.05%
Fortis Crédit	Belgium	45.00%	45.00%
Servicios Financieros Carrefour EFC SA (formerly Fipryca)	Spain	40.00%	40.00%
Asia-Pacific			
BNP Paribas Peregrine Futures Ltd	Hong Kong	100.00%	100.00%
BNP Paribas Private Bank (Japan) Ltd	Japan	100.00%	100.00%
Cetelem Capital Company Ltd (formerly Cetelem Services Korea)	South Korea	100.00%	100.00%
PT BNP Paribas Peregrine	Indonesia	100.00%	98.80%
Americas			
Cetelem Brésil	Brazil	100.00%	100.00%
Other financial institutions			
Americas			
Fischer Francis Trees and Watts	United States	24.90%	71.54%
Other financial sector companies			
Europe			
Centro Leasing SPA	Italy	34.29%	34.28%

COMPANIES CARRIED UNDER THE EQUITY METHOD		Group voting interest (%)	Group ownership interest (%)
OUTSIDE FRANCE			
Other financial sector companies			
Americas			
CCAC	Brazil	40.00%	40.00%
Other companies			
IN FRANCE			
Insurance			
Axa Ré Finance		21.00%	21.00%
Other			
Finaxa		13.38%	21.32%
OUTSIDE FRANCE			
Real estate			
Devimo Consult	Belgium	35.00%	13.87%
Insurance			
State Bank of India Life Insurance Company Ltd	India	26.00%	26.00%

NOTE 3 – INTERBANK AND MONEY MARKET ITEMS

In millions of euros, at 31 December	2003			2002	2001
	Gross	Provisions	Net	Net	Net
Cash and amounts due from central banks and post office banks	**5,287**		**5,287**	**9,884**	**3,489**
Treasury bills and money market instruments (note 5)	**106,848**	**(177)**	**106,671**	**83,990**	**81,462**
Due from credit institutions					
Demand accounts	7,080	(18)	7,062	9,426	25,654
Term loans and time deposits (a)	22,560	(238)	22,322	22,938	24,332
Repurchase agreements:					
Securities received under resale agreements	131,137		131,137	112,100	134,219
Bills purchased outright or under resale agreements	1,817		1,817	1,730	2,119
Total securities and bills purchased outright or under resale agreements	132,954		132,954	113,830	136,338
Subordinated loans	612		612	318	299
Total due from credit institutions	**163,206**	**(256)**	**162,950**	**146,512**	**186,623**
Total interbank and money market items	**275,341**	**(433)**	**274,908**	**240,386**	**271,574**
Including accrued interest			*1,538*	*3,228*	*4,547*

(a) "Term loans and time deposits" include overnight and term loans which are not represented by a bill or security, particularly financial credits. Financial credits correspond to commercial loans with an initial term of more than one year granted to credit institutions, where the ultimate borrowers are business entities other than financial sector companies, generally from developing countries on which the transfer risk has been provided for (note 8).

NOTE 4 – CUSTOMER ITEMS

In millions of euros, at 31 December	2003			2002	2001
	Gross	Provisions	Net	Net	Net
Due from customers					
Commercial and industrial loans	10,069	(28)	10,041	11,806	9,387
Overdrafts	12,822		12,822	12,908	17,424
Other credits					
– short-term loans	44,145		44,145	50,503	43,603
– mortgage loans	46,739		46,739	42,701	36,672
– investment loans	22,031		22,031	22,452	20,156
– export loans	5,447	(916)	4,531	4,462	7,565
– other customer loans	36,385	(1)	36,384	38,024	57,513
Total other credits	154,747	(917)	153,830	158,142	165,509
Doubtful customer loans	12,348	(8,098)	4,250	4,385	3,939
Accrued interest	1,217		1,217	1,277	1,558
Securities and bills purchased outright or under resale agreements	19,319		19,319	16,103	16,734
Subordinated loans (b)	140	(8)	132	98	268
Total due from customers (c)	**210,662**	**(9,051)**	**201,611**	**204,719**	**214,819**
Leasing receivables	**20,817**	**(455)**	**20,362**	**20,622**	**20,088**
Total customer items	**231,479**	**(9,506) (a)**	**221,973**	**225,341**	**234,907**
Including accrued interest			*1,494*	*1,620*	*1,860*

(a) Including EUR 963 million in general provisions for country risks.

(b) Participating loans granted to BNP Paribas customers included under "Subordinated loans" amounted to EUR 59 million at 31 December 2003 (EUR 53 million at 31 December 2002 and EUR 207 million at 31 December 2001).

(c) Loans qualifying for refinancing by Banque de France amounted to EUR 7,879 million at 31 December 2003 (EUR 8,079 million at 31 December 2002 and EUR 13,491 million at 31 December 2001).

Total customer items, excluding repurchase agreements and provisions for country risks, break down as follows by counterparty:

In millions of euros, at 31 December 2003	Financial institutions	Corporates	Small businesses	Private individuals	Government agencies	Other	Total
d loans	11,576	94,854	14,375	70,762	5,381	1,960	**198,908**
• *including restructured loans*		*49*		*275*	*74*		*398*
Doubtful loans							
• Gross outstanding loans	136	8,503	757	3,635	114	107	13,252
• *including irrecoverable loans*	*102*	*5,064*	*548*	*2,859*	*111*	*46*	*8,730*
• Specific provisions	(68)	(5,405)	(495)	(2,414)	(68)	(93)	(8,543)
• Net outstanding loans	68	3,098	262	1,221	46	14	**4,709**
Total, net	**11,644**	**97,952**	**14,637**	**71,983**	**5,427**	**1,974**	**203,617**

Net irrecoverable loans – which amounted to EUR 8,730 million at 31 December 2003 – were covered by a EUR 5,523 million provision.

NOTE 5 – TRANSACTIONS ON TRADING ACCOUNT SECURITIES, SECURITIES AVAILABLE FOR SALE AND DEBT SECURITIES HELD TO MATURITY

In millions of euros, at 31 December	2003				2002		2001	
	Gross value	Provisions	Net book value	Market value	Net book value	Market value	Net book value	Market value
Trading account securities:								
Treasury bills and money market instruments	73,822		73,822	73,822	54,453	54,453	54,539	54,539
Bonds and other fixed income instruments	34,217		34,217	34,217	24,707	24,707	42,473	42,473
Equities and other variable income instruments	50,442		50,442	50,442	21,149	21,149	40,553	40,553
Own shares held within the Group	80		80	80	14	14	8	8
Total trading account securities	**158,561**		**158,561**	**158,561**	**100,323**	**100,323**	**137,573**	**137,573**
Including unlisted equities and bonds	*7,968*		*7,968*	*7,968*	*4,806*	*4,806*	*4,438*	*4,438*
Securities available for sale								
Treasury bills and money market instruments	8,186	(141)	8,045	8,403	7,254	7,830	7,600	8,497
Bonds and other fixed income instruments	15,214	(542)	14,672	14,957	9,642	10,213	8,151	8,723
Equities, other variable income instruments and equity securities available for sale in the medium-term	2,189	(205)	1,984	2,101	1,453	1,547	1,936	2 121
Total securities available for sale	**25,589**	**(888)**	**24,701**	**25,461**	**18,349**	**19,590**	**17,687**	**19,341**
Including unlisted equities and bonds	*2,689*	*(20)*	*2,669*	*2,724*	*1,541*	*1,556*	*2,054*	*2,352*
Debt securities held to maturity								
Treasury bills and money market instruments	24,840	(36)	24,804	24,889	22,283	22,735	19,323	19,637
Bonds and other fixed income instruments	6,125	(9)	6,116	6,643	7,615	8,009	5,438	5,424
Total debt securities held to maturity	**30,965**	**(45)**	**30,920**	**31,532**	**29,898**	**30,744**	**24,761**	**25,061**
Including unlisted bonds	*359*		*359*	*369*	*409*	*414*	*541*	*541*
Total trading account securities, securities available for sale and debt securities held to maturity (a):	**215,115**	**(933)**	**214,182**	**215,554**	**148,570**	**150,657**	**180,021**	**181,975**
Including:								
Treasury bills and money market instruments	106,848	(177)	106,671	107,114	83,990	85,018	81,462	82,673
Bonds and other fixed income instruments	55,556	(551)	55,005	55,817	41,964	42,929	56,062	56,620
Including unlisted bonds	*3,405*	*(13)*	*3,392*	*3,422*	*2,452*	*2,465*	*3,212*	*3,225*
Equities and other variable income instruments	52,711	(205)	52,506	52,623	22,616	22,710	42,497	42,682
Including unlisted equities	*7,611*	*(7)*	*7,604*	*7,639*	*4,304*	*4,311*	*3,821*	*4,106*

(a) Mutual fund shares held by the BNP Paribas Group amounted to EUR 12,081 million at 31 December 2003 (EUR 4,437 million at 31 December 2002 and EUR 4,531 million at 31 December 2001). This amount includes EUR 11,777 million in growth funds, of which EUR 565 million incorporated in France (EUR 4,246 million in 2002 of which EUR 791 million incorporated in France and EUR 4,185 million in 2001 of which EUR 491 million incorporated in France).

NOTE 5 (CONT'D) – TRANSACTIONS ON TRADING ACCOUNT SECURITIES, SECURITIES AVAILABLE FOR SALE AND DEBT SECURITIES HELD TO MATURITY

Over the past three years, securities were reclassified among the various portfolios as follows:

Former classification	New classification	Amount transferred during the period (in millions of euros)		
		2003	2002	2001
Trading account securities	Securities available for sale	830	575	335
Securities available for sale	Debt securities held to maturity	5	270	9
Debt securities held to maturity	Securities available for sale	628	769	2,608

The above amounts do not include arms' length transactions between two Group companies pursuing different management objectives (including purchases of debt securities held to maturity from trading portfolio managers).

Net premiums on debt securities held to maturity, reflecting an acquisition price higher than the redemption price, amounted to EUR 71 million at 31 December 2003 (versus net discounts of EUR 364 million at 31 December 2002 and net premiums of EUR 170 million at 31 December 2001). These premiums and discounts are amortised over the remaining life of the securites.

Net premiums on securities available for sale, reflecting an acquisition price higher than the redemption price, amounted to EUR 49 million at 31 December 2003 (versus net discounts of EUR 181 million at 31 December 2002 and EUR 155 million at 31 December 2001).

Receivables corresponding to securities lent amounted to EUR 11,065 million at 31 December 2003 (EUR 5,051 million at 31 December 2002 and EUR 5,374 million at 31 December 2001).

Accrued interest on fixed income securities was EUR 601 million at 31 December 2003 (EUR 506 million at 31 December 2002 and EUR 657 million at 31 December 2001).

One of the Group subsidiaries engaged in trading and arbitraging on stock market indexes held 1,608,000 BNP Paribas SA shares at 31 December 2003, under trading account securities (note 22).

NOTE 6 – INSURANCE COMPANY INVESTMENTS

In millions of euros, at 31 December	2003	2002	2001
Real estate	1,103	1,141	1,224
Equities, mutual funds and other variable income instruments	2,944	2,613	2,640
Bonds and other fixed income instruments	33,153	30,323	27,545
Admissible assets related to unit-linked business	22,530	20,734	23,010
Reinsures' share of technical reserves	1,030	919	473
Other	648	629	573
Accrued interest	867	795	745
Insurance company investments	**62,275**	**57,154**	**56,210**

NOTE 7 – INVESTMENTS IN NON-CONSOLIDATED UNDERTAKINGS, OTHER PARTICIPATING INTERESTS AND EQUITY SECURITIES HELD FOR LONG-TERM INVESTMENT

In millions of euros, at 31 December	2003			2002		2001	
	Gross book value	Net book value	Market value	Net book value	Market value	Net book value	Market value
Equity securities held for long-term investment							
Unlisted securities	2,771	2,405	2,908	2,620	3,245	2,474	2,897
Listed securities	2,587	2,207	3,339	2,787	3,875	3,272	6,416
Total equity securities held for long-term investment	**5,358**	**4,612**	**6,247**	**5,407**	**7,120**	**5,746**	**9,313**
Investments in non-consolidated undertakings and other participating interests (a):							
Investments in non-consolidated undertakings	1,240	842	947	887	1,032	832	887
Other participating interests							
Unlisted securities	867	730	808	1,116	1,482	1,390	1,949
Listed securities	805	588	1,097	3,869	3,743	805	1,025
Total other participating interests	1,672	1,318	1,905	4,985	5,225	2,195	2,974
Total investments in non-consolidated undertakings and other participating interests	**2,912**	**2,160**	**2,852**	**5,872**	**6,257**	**3,027**	**3,861**
Total investments in non-consolidated undertakings, other participating interests and equity securities held for long-term investment	**8,270**	**6,772**	**9,099**	**11,279**	**13,377**	**8,773**	**13,174**

(a) The market value of unlisted investments in non-consolidated undertakings and other unlisted participating interests is principally determined based on the value of the BNP Paribas Group's equity in the underlying net assets. Where necessary, the valuation is based on revalued net assets.

Investments in non-consolidated credit institutions amounted to EUR 144 million at 31 December 2003 (EUR 144 million at 31 December 2002 and EUR 157 million at 31 December 2001). Participating interests in credit institutions amounted to EUR 467 million at 31 December 2003 (EUR 3,566 million at 31 December 2002 and EUR 508 million at 31 December 2001).

Net unrealised capital gains on investments in non-consolidated undertakings, other participating interestsand equity securities held for long-term investment, calculated by reference to period-end market prices for listed securities, amounted to EUR 2,327million at 31 December 2003 (EUR 2,098 million at 31 December 2002 and EUR 4,401 million at 31 December 2001).

NOTE 7 (CONT'D) – INVESTMENTS IN NON-CONSOLIDATED UNDERTAKINGS, OTHER PARTICIPATING INTERESTS AND EQUITY SECURITIES HELD FOR LONG-TERM INVESTMENT

The main companies carried under "Investments in non-consolidated undertakings, other participating interests and equity securities held for long-term investment" with a net book value of more than EUR 100 million in the BNP Paribas Group's accounts are listed below:

In millions of euros	% interest	Head Office	Consolidated shareholders' equity in 2002 (a)	2002 consolidated net income (loss)	Net book value in the BNP Paribas Group accounts
Interests representing less than 5% of the investee's share capital					
Axa	1.11	Paris	23,711	949	265
Véolia Environnement	2.79	Paris	6,330	339	214
Total	0.23	La Défense	32,146	5,941	194
Vivendi Universal	0.74	Paris	14,020	(23,301)	128
Peugeot	1.53	Paris	10,984	1,690	114
Shinhan Financial Group	4.60	South Korea	2,923	508	138
Schneider Electric	2.03	Boulogne Billancourt	7,785	422	127
Sagem	3.95	Paris	1,277	77	106
Interests representing between 5% and 10% of the investee's share capital					
Tyler trading inc	6.65	Wilmington (USA)	2,013	5	318
Bouygues Telecom	6.41	Issy Les Moulineaux	1,350	129	171
Cassa Di Risparmio Di Firenze	6.99	Italy	915	83	118
Interests representing more than 10% of the investee's share capital					
Pargesa Holding	14.63	Switzerland	3,371	(91)	356
Erbe SA	43.83	Belgium	672	25	335
ABN Amro Advisory Inc	19.35	Chicago (USA)	1,503	34	239
Eiffage	29.39	Issy Les Moulineaux	904	126	166
Crédit Logement	32.98	Paris	942	44	186
Interest in an investment fund					
PAI Europe III	13.49	France/UK	N/A	N/A	109

(a) According to French accounting standards, including net income/(loss)

NOTE 8 – PROVISIONS FOR CREDIT RISKS AND COUNTRY RISKS

In millions of euros	2003	2002	2001
At 1 January	**13,029**	**13,171**	**12,542**
Net additions during the period	1,379	1,532	1,366
Write-offs during the period covered by provisions	(1,724)	(1,470)	(1,230)
Translation adjustments and other changes	(979)	(204)	493
At 31 December	**11,705**	**13,029**	**13,171**
Breakdown of provisions:			
– Provisions deducted from assets:			
• On interbank items (a)	256	416	379
• On customer items (note 4)	9,506	10,347	10,484
• On securities (a)	746	1,009	1,117
Total provisions deducted from assets	10,508	11,772	11,980
Including provisions for country risks	*1,481*	*2,119*	*2,271*
– Provisions recorded under liabilities (note 19):			
• To cover off balance sheet commitments	505	570	621
• To cover credit risks	692	469	352
• To cover industry risks		218	218
Total provisions recorded under liabilities	1,197	1,257	1,191
Including provisions for country risks	*314*	*309*	*434*
Total provisions for credit risks and country risks	**11,705**	**13,029**	**13,171**

(a) Provisions on loans to credit institutions mainly concern financial credits (note 3) exposed to country risk. Provisions on securities shown in the above table primarily cover the country risk affecting securities held by the BNP Paribas Group.

Provisions for credit risks on assets are deducted from the carrying value of the assets. Provisions recorded under liabilities include provisions for losses on off balance sheet commitments, provisions for claims and litigation, and provisions for risks that are probable in light of current or past events but the amount and timing of which cannot be reliably determined.

Provisions covering principal and interest on sovereign loans amounted to EUR 1,795 million at 31 December 2003 (EUR 2,428 million at 31 December 2002 and EUR 2,705 million at 31 December 2001).

NOTE 8 (CONT'D) – PROVISIONS FOR CREDIT RISKS AND COUNTRY RISKS

In millions of euros	2003	2002	2001
Additions to provisions for credit risks and country risks:			
• Customer and interbank items	2,278	2,533	2,423
• Off balance sheet commitments	51	93	43
• Securities	214	87	173
• Other credit risks	367	112	72
Total additions to provisions for credit risks and country risks	**2,910**	**2,825**	**2,711**
Recoveries of provisions for credit risks and country risks:			
• Customer and interbank items	(1,137)	(1,024)	(856)
• Off balance sheet commitments	(38)	(38)	(44)
• Securities	(226)	(132)	(181)
• Other credit risks	(130)	(99)	(264)
Total recoveries of provisions for credit risks and country risks	**(1,531)**	**(1,293)**	**(1,345)**
Net additions to provisions for credit risks and country risks	**1,379**	**1,532**	**1,366**
Write-offs not covered by provisions	187	146	130
Recoveries of amounts written off	(104)	(101)	(95)
Elimination of net addition to provisions for interest in arrears recorded under net banking income	(101)	(107)	(89)
Net charge for the period for credit risks and country risks	**1,361**	**1,470**	**1,312**
Including:			
• Net charge to provisions for specific credit risks	1,727	1,555	1,351
• Net recovery of provisions for country risks	(366)	(85)	(39)

As mentioned in note 1 concerning Accounting Policies, in 2003 EUR 273 million of provisions for country risks were reclassified under provisions for specific risks.

NOTE 9 – INVESTMENTS IN COMPANIES CARRIED UNDER THE EQUITY METHOD

In millions of euros, at 31 December 2003	Total investments in companies carried under the equity method			Net book value of the investments in the individual accounts of Group companies
	Equity in net assets (based on voting interest)	Equity in 2003 net income (loss) (based on voting interest)	Total	
Financial institutions:				
Credit institutions	*480*	*53*	*533*	*334*
Cofinoga	211	42	253	130
Société de paiement pass	80	18	98	36
C.I.G.	44	16	60	13
Servicios Financieros Carrefour EFC SA	52	8	60	87
BNP Private Banking Japan	18	(3)	15	20
Cetelem Capital Co ltd (Korea)	24	(24)	0	0
Other	51	(4)	47	48
Other financial institutions	*875*	*28*	*903*	*515*
Finaxa	815	11	826	437
Centro Leasing Spa	43	6	49	37
CCAC Brazil	23	11	34	38
Cetelem Group (Cofidis Belgium and Spain)	(9)	0	(9)	0
Other	3	0	3	3
Total financial institutions	**1,355**	**81**	**1,436**	**849**
Other companies:				
Insurance companies:	*55*	*4*	*59*	*41*
Axa Re Finance	38	5	43	41
Other	17	(1)	16	0
Other companies:	*90*	*46*	*136*	*148*
Laser	28	5	33	53
Fischer Francis Trees and Watts	2	6	8	73
Other	60	35	95	22
Total other companies	**145**	**50**	**195**	**189**
Total investments in companies carried under the equity method	**1,500**	**131**	**1,631**	**1,038**

NOTE 10 – LONG-TERM INVESTMENTS

In millions of euros	Cost at 1 January 2003	Acquisitions	Redemptions and disposals	Transfers and other movements	Cost at 31 December 2003	Provisions at 1 January 2003	Additions to provisions	Recoveries of provisions	Other provision movements	Provisions at 31 Dec. 2003	Net book value at 31 Dec. 2003	Net book value at 31 Dec. 2002
Debt securities held to maturity (note 5)	29,960	31,587	(28,231)	(2,351)	30,965	(62)	-	-	17	(45)	30,920	29,898
Investments in non-consolidated undertakings and other participating interests (note 7)	6,890	325	(4,259)	(44)	2,912	(1,018)	(176)	409	33	(752)	2,160	5,872
Equity securities held for long-term investment (note 7)	6,175	438	(920)	(335)	5,358	(768)	(255)	225	52	(746)	4,612	5,407
Investments in companies carried under the equity method (note 9)	1,795			(164)	1,631						1,631	1,795
Total long-term investments	**44,820**	**32,350**	**(33,410)**	**(2,894) (a)**	**40,866**	**(1,848)**	**(431)**	**634**	**102**	**(1,543)**	**39,323**	**42,972**

(a) Including translation adjustment of EUR (2,080) million.

NOTE 11 – TANGIBLE AND INTANGIBLE ASSETS

In millions of euros, at 31 December	2003			2002	2001
	Gross	Depreciation, amortisation and provisions	Net	Net	Net
Intangible assets					
- Computer software	1,615	(917)	698	538	267
- Other intangible assets	1,004	(215)	789	749	464
Total intangible assets	2,619	(1,132)	1,487	1,287	731
Tangible assets:					
- Land and buildings	3,321	(1,198)	2,123	2,076	2,099
- Rental properties (land and buildings)	3,976	(579)	3,397	3,062	2,637
- Equipment, furniture and fixtures	4,095	(2,495)	1,600	1,695	1,702
- Other fixed assets	401		401	520	345
Total tangible assets	11,793	(4,272)	7,521	7,353	6,783
Total tangible and intangible assets	**14,412**	**(5,404)**	**9,008**	**8,640**	**7,514**

Intangible assets

Other intangible assets include lease rights, goodwill and trade marks acquired by the Group, including the Consors trade mark acquired in 2002.

Operating assets

In 1991 and 1992, as allowed by French regulations, Banque Nationale de Paris transferred its main operating real estate holdings to its subsidiary Compagnie Immobilière de France. The book value of the assets was increased by EUR 1,156 million, and the corresponding capital gain was posted to consolidated shareholders' equity under "capital gains on restructuring", net of the related tax effect (note 22). In order to reflect what appeared to be a lasting decline in the real estate market, in 1997 the book value of these real estate assets was written down by EUR 545 million. The adjustment, net of the related tax effect, was recorded in the balance sheet under "capital gains on restructuring", consistently with the initial adjustment.

The operating assets held by Paribas and its subsidiaries at the time of the merger are stated at historical cost.

Depreciation and provisions on rental properties include an EUR 80 million provision booked in accordance with the principle of prudence to cover unrealised losses on the rental properties held by Compagnie Bancaire.

Non-operating assets

At 31 December 2003, non-operating land and buildings, including assets leased under operating leases, amounted to EUR 3,454 million (EUR 3,122 million at 31 December 2002 and EUR 2,729 million at 31 December 2001). The total includes shopping centres acquired for rental.

Depreciation, amortisation and provisions

The charge for depreciation, amortisation and provisions recorded in 2003 amounted to EUR 758 million (EUR 618 million in 2002 and EUR 577 million in 2001).

NOTE 12 – GOODWILL

In millions of euros	2003	2002	2001
Net amount at 1 January	**6,547**	**4,489**	**2,540**
Goodwill on acquisitions made during the year	50	2,988	2,273
Translation adjustment	(559)	(397)	4
Amortisation for the year	(417)	(388)	(206)
Exceptional amortisation of goodwill	(43)	(145)	(122)
Unamortised goodwill at 31 December	**5,578**	**6,547**	**4,489**

Net amortisation of goodwill totalled EUR 399 million for 2003 (EUR 366 million for 2002 and EUR 188 million for 2001), after deducting EUR 18 million in amortisation of negative goodwill (EUR 22 million in 2002 and EUR 18 million in 2001). Exceptional amortisation of goodwill on investments sold includes EUR 43 million (EUR 95 million in 2002 and EUR 101 million in 2001) corresponding to goodwill recorded on acquisition of minority interests in the Cobepa sub-group. An additional EUR 50 million in amortisation was recorded in 2002 to take account of the decrease in unrealised gains. The exceptional amortisation was deducted from “Gains (losses) on disposals of long-term investments and changes in provisions” (note 37).

Badwill amounted to EUR 18 million at 31 December 2003 (EUR 22 million at 31 December 2002 and EUR 25 million at 31 December 2001), including EUR 15 million concerning Finaxa.

NOTE 13 – ACCRUED INCOME AND OTHER ASSETS

In millions of euros, at 31 December	2003	2002	2001
Accrued income and other adjustment accounts			
Valuation adjustment accounts (a)	13,853	20,228	17,519
Accrued income	5,419	5,331	10,271
Collection accounts	2,845	3,488	7,816
Other adjustment accounts (b)	6,707	9,501	11,195
Total accrued income and other adjustment accounts	28,824	38,548	46,801
Other assets			
Premiums on purchased options	42,185	36,328	68,290
Settlement accounts related to securities transactions	5,067	3,655	10,831
Investments in Codevi “industrial development” securities	3,716	3,702	3,275
Deferred tax assets	853	975	1,032
Other insurance company assets	1,142	931	807
Other	11,633	10,458	10,351
Total other assets	64,596	56,049	94,586
Total accrued income and other assets	**93,420**	**94,597**	**141,387**

(a) Mark-to-market gains on foreign exchange instruments and forward instruments.
(b) Includes prepaid interest on customer and interbank accounts and prepaid expenses.

NOTE 14 – INTERBANK ITEMS AND MONEY MARKET SECURITIES

In millions of euros, at 31 December	2003	2002	2001
Interbank and money market items			
Demand accounts	5,027	8,859	20,027
Time deposits and borrowings	61,740	52,808	73,404
Securities and bills sold outright or under repurchase agreements:			
• Securities given under repurchase agreements	122,258	113,552	126,128
• Bills sold outright or under repurchase agreements	2,229	2,686	737
Total securities and bills sold outright or under repurchase agreements	124,487	116,238	126,865
Total interbank and money market items	**191,254**	**177,905**	**220,296**
Debt securities issued to credit insitutions			
Interbank market securities	1,025	1,025	1,670
Total interbank items and money market securities	**192,279**	**178,930**	**221,966**
Including accrued interest	*1,785*	*2,273*	*3,152*

Interbank demand deposits amounted to EUR 4,906 million at 31 December 2003 (EUR 8,465 million at 31 December 2002 and EUR 19,572 million at 31 December 2001).

NOTE 15 – CUSTOMER DEPOSITS, RETAIL CERTIFICATES OF DEPOSIT AND NEGOTIABLE CERTIFICATES OF DEPOSIT

In millions of euros, at 31 December	2003	2002	2001
Customer deposits:			
Demand accounts	69,464	70,950	64,742
Time accounts	68,899	72,150	93,455
Regulated savings accounts	36,622	31,113	29,662
Repurchase agreements:			
Securities given under repurchase agreements	35,475	20,819	27,996
Bills sold outright or under repurchase agreements	161	537	241
Total securities and bills sold outright or under repurchase agreements	35,636	21,356	28,237
Total customer deposits	**210,621**	**195,569**	**216,096**
Bonds and negotiable short-term debt instruments			
Negotiable certificates of deposit	67,014	64,913	63,575
Retail certificates of deposit	4,933	6,708	6,771
Total bonds and negotiable short-term debt instruments	**71,947**	**71,621**	**70,346**
Total customer deposits, negotiable certificates of deposit and retail certificates of deposit	**282,568**	**267,190**	**286,442**
Including accrued interest	*648*	*968*	*1,426*

Regulated demand savings deposits, including savings collected for investment, totalled EUR 18,272 million at 31 December 2003 (EUR 14,515 million at 31 December 2002 and EUR 13,599 million at 31 December 2001). Other customer demand deposits amounted to EUR 76,701 million at 31 December 2003 (EUR 74,542 million at 31 December 2002 and EUR 74,628 million at 31 December 2001).

NOTE 16 – BOND ISSUES

The following table shows bonds issued by the Group by currency, contractual interest rate and maturity:

Issuing currency In millions of euros	Average interest rate	Balance outstanding at 31 Dec. 2003	Maturity 2004	2005	2006	2007	2008	2009 to 2013	Beyond 2013
Euro zone issues	Variable	1,939	225	266	812	5	600	31	
	6.10 %	7,693	647	549	1,741	1,246	577	2,523	410
US dollar issues	4.34 %	488							488
Issues in other currencies	Variable	45			32		13		
	6.31 %	36	2		16	18			
Total bonds issued		10,201	874	815	2,601	1,269	1,190	2,554	898
BNP Paribas Group bonds held by consolidated companies		(447)							
Total BNP Paribas Group bonds outstanding		9,754							
Accrued interest		198							
Total bond issues		9,952							

Unamortised premiums on the above issues, corresponding to the difference between the issue proceeds and the redemption price, amounted to EUR 163 million at 31 December 2003 (EUR 158 million at 31 December 2002 and EUR 97 million at 31 December 2001).

NOTE 17 – TECHNICAL RESERVES OF INSURANCE COMPANIES

In millions of euros, at 31 December	2003	2002	2001
Life technical reserves	35,910	32,684	29,219
Technical reserves – unit-linked business	22,554	21,047	23,364
Non-life technical reserves	1,694	1,409	1,209
Policyholders' surplus	1,139	1,048	1,129
Accrued interest	511	338	284
Total technical reserves	**61,808**	**56,526**	**55,205**

Policyholders' surplus primarily includes the funds set aside to top up the return offered to holders of life insurance policies if necessary in future years (EUR 615 million at 31 December 2003, EUR 547 million at 31 December 2002 and EUR 656 million at 31 December 2001).

NOTE 18 – ACCRUALS AND OTHER LIABILITIES

In millions of euros, at 31 December	2003	2002	2001
Accruals:			
Accrued liabilities	4,459	5,060	8,977
Valuation adjustment accounts (a)	14,528	20,617	17,682
Collection accounts	2,923	2,066	1,675
Other accruals	8,585	4,806	8,186
Total accruals	**30,495**	**32,549**	**36,520**
Other liabilities:			
Settlement accounts related to securities transactions	6,938	4,966	12,284
Liabilities related to written options	43,634	37,782	68,969
Liabilities related to securities transactions	88,430	57,471	59,912
Deferred tax liabilities	1,417	1,685	1,734
Other insurance liabilities	418	494	337
Other payables and liabilities	13,488	10,889	19,468
Total other liabilities	**154,325**	**113,287**	**162,704**
Total accruals and other liabilities	**184,820**	**145,836**	**199,224**

(a) Mark-to-market losses on foreign exchange instruments and forward instruments.

NOTE 19 – PROVISIONS FOR CONTINGENCIES AND CHARGES

In millions of euros, at 31 December	2003	2002	2001
Provisions for pensions and other post-employment benefits (note 27)	1,467	1,245	1,329
Provisions for credit risks and equivalents (note 8)	692	469	352
Provisions for industry risks (note 8)	-	218 (a)	218
Provisions for off balance sheet commitments (note 8)			
- credit risks	191	261	187
- country risks	314	309	434
Restructuring (note 41)	80	178	321
Other provisions	1,301	1,464	2,012
Total provisions for contingencies and charges	**4,045**	**4,144**	**4,853**

(a) At 31 December 2002, the provision for industry risks was notionally earmarked to cover losses on listed investments, whereas in previous years it was not allocated to any specific risks. In 2003, the provision was reversed to avoid duplication with the provisions booked for each line of securities concerned (see note 37).

In 2003 a general provision of EUR 250 million was recorded under “Provisions for credit risks and equivalents” in order to cover the risk of any continuation of the economic downturn in Europe.

Off balance sheet credit risks covered by provisions amounted to EUR 983 million at 31 December 2003 (EUR 1,222 million at 31 December 2002 and EUR 976 million at 31 December 2001).

At 31 December 2003, other provisions for contingencies and charges break down as follows:

In millions of euros	1 January 2003	Additions	Reversals	Other	31 December 2003
Provisions set up in connection with banking and banking-related transactions	**611**	**231**	**(331)**	**28**	**539**
- Provisions for contingencies related to capital markets transactions	216	153	(175)	(7)	187
- Provisions for potential losses on long-term investments	181	31	(25)	7	194
- Other provisions related to banking transactions	214	47	(131)	28	158
Provisions not set up in connection with banking or banking-related transactions	**853**	**230**	**(339)**	**18**	**762**
Total other provisions for contingencies and charges	**1,464**	**461**	**(670)**	**46**	**1,301**

NOTE 20 – SUBORDINATED DEBT

In millions of euros, at 31 December	2003	2002	2001
Subordinated medium- and long-term debt	**11,112**	**11,776**	**10,257**
Undated subordinated debt			
Undated participating subordinated notes	312	343	344
Other undated floating-rate subordinated notes:			
In foreign currencies	707	849	1,041
In euros	290	305	305
Total undated floating rate subordinated notes	997	1,154	1,346
Undated notes	412	629	762
Total undated subordinated debt	**1,721**	**2,126**	**2,452**
Total subordinated debt issued by BNP Paribas Group	**12,833**	**13,902**	**12,709**
Accrued interest	393	381	329
Total	**13,226**	**14,283**	**13,038**

Subordinated medium- and long-term debt

Subordinated debt included under this heading consists of medium and long-term debentures originally issued in French francs, euros and foreign currencies that are equivalent to debt ranking last before participating debt and securities for repayment purposes in the case of liquidation of the Bank.

Subordinated medium- and long-term debt issued by the Group generally contains a call provision authorising BNP Paribas to buy back its securities directly in the market or through tender offers or, in the case of private placements, over the counter.

Borrowings in international markets by BNP Paribas SA or foreign subsidiaries of the BNP Paribas Group may be subject to early repayment of principal and the early payment of interest due at maturity in the event that changes in applicable tax laws oblige the BNP Paribas Group issuer to compensate debtholders for the consequences of such changes. The debt securities may be called on 15 to 60 days' notice subject to approval by the banking supervisory authorities.

At 31 December 2003, subordinated medium- and long-term debt broke down as follows by maturity and by currency:

Issuing currency	Total	Maturity						
		2004	2005	2006	2007	2008	2009 to 2013	Beyond 2013
Subordinated medium-and long-term debt:								
• In euros	6,976	704	258	290	486	959	2,823	1,456
• In US dollars	3,287		60	179	477		1,776	795
• In other currencies	849	48	112		78	52	47	512
Total subordinated medium-and long-term debt	**11,112**	**752**	**430**	**469**	**1,041**	**1,011**	**4,646**	**2,763**

NOTE 20 (CONT'D) – SUBORDINATED DEBT

Undated subordinated debt

In July 1984, pursuant to the French Law of 3 January 1983, BNP SA issued a first block of 1,800,000 undated participating subordinated notes (titres participatifs) with a face value of FRF 1,000 for a total of EUR 274 million. Subscription rights to new undated participating subordinated notes were attached to each of these notes. In connection with rights exercised in the period from 1985 to 1988, BNP SA issued a total of 412,761 new undated participating subordinated notes with a face value of FRF 1,000. The notes were issued at a total premium of EUR 4 million. The notes are redeemable only in the event of liquidation of the Bank, but may be retired in accordance with the terms of the law.

In October 1985, BNP SA issued EUR 305 million of undated floating-rate subordinated notes (titres subordonnés à durée indéterminée, or TSDI). The notes are redeemable only in the event of liquidation of the Bank. They are subordinated to all other debts of the Bank but senior to the undated participating subordinated notes issued by BNP SA. The Board of Directors is entitled to postpone interest payments if the shareholders' meeting approving the financial statements declares that there is no income available for distribution. In September 1986, BNP SA raised a further USD 500 million by issuing new undated floating-rate subordinated notes with characteristics similar to those of the French franc notes issued in 1985. In July 1986 and December 1996, Paribas SA issued undated subordinated notes in the amounts of USD 165 million and USD 200 million respectively.

Between 1996 and 1998, BNP SA issued undated notes which may be called at the issuer's discretion, starting from a date specified in the issuing agreement and contingent upon the consent of the Commission Bancaire.

Undated participating subordinated notes, undated subordinated notes and undated notes qualify as Tier 2 capital under French regulations and international guidelines on capital adequacy.

NOTE 21 – RESERVE FOR GENERAL BANKING RISKS

The reserve for general banking risks amounted to EUR 843 million at 31 December 2003 (EUR 997 million at 31 December 2002 and EUR 1,007 million at 31 December 2001). In 2003, EUR 147 million was deducted from the reserve for general banking risks to reflect exceptional additions to "Provisions for employee benefits" during the year (see note 38).

NOTE 22 – CONSOLIDATED SHAREHOLDERS' EQUITY

In millions of euros	Capital	Additional paid-in capital in excess of par	Capital gain on restructuring and revaluation surplus
Balance at 1 January 2001	**1,792**	**10,962**	**375**
. Operations affecting capital in 2001:			
- cancellation of shares held by BNP Paribas	(36)	(752)	
- share issues	16	266	
. Cancellation of contingent value rights certificates held by BNP Paribas			
. Issue of preferred shares			
. Buyout of minority interests in subsidiaries			
. Minority interests in newly-acquired companies			
. BNP Paribas SA shares held pursuant to the 5th resolution of the Annual Shareholders' Meetings of 23 May and 15 May 2001 and contingent value rights certificates bought back during the period			
. Translation adjustment			
Effect of changes of accounting methods in connection with the application of standard CRC 00-05 concerning the financial statements of insurance companies			
. Other			5
. 2001 consolidated net income			
Balance at 31 December 2001 before appropriation of income	**1,772**	**10,476**	**380**
Cash dividend			
Balance at 1 January 2002	**1,772**	**10,476**	**380**
. Operations affecting capital in 2002:			
- share issues	18	328	
. Cancellation of contingent value rights certificates held by BNP Paribas			
. Issue of preferred shares			
. BNP Paribas SA shares held pursuant to the 5th resolution of the Annual Shareholders' Meetings of 23 May 2000 and 15 May 2001			
. Translation adjustment			
. Other			(3)
. 2002 consolidated net income			
Balance at 31 December 2002 before appropriation of income	**1,790**	**10,804**	**377**
2002 cash dividend			
Balance at 1 January 2003	**1,790**	**10,804**	**377**
. Operations affecting capital in 2003:			
- share issues	16	213	
. Issue of preferred shares			
. BNP Paribas SA shares held pursuant to the 6th resolution of the Annual Shareholders' Meetings of 31 May 2002 and 14 May 2003			
. Translation adjustment			
. Effect of applying standard CRC 2002-03 (note 1)			
. Other			(3)
. 2003 consolidated net income			
Balance at 31 December 2003 before appropriation of income	**1,806**	**11,017**	**374**

Retained earnings						
Cumulative translation adjustment	Parent company retained earnings and Group's share in retained earnings of subsidiaries	Elimination of shares held by BNP Paribas	Retained earnings, capital gains resulting from real estate restructuring and revaluation surplus	Shareholders' equity attributable to BNP Paribas Group	Minority interests	Total consolidated shareholders' equity
(45)	**9,163**	**(1,602)**	**7,891**	**20,645**	**2,653**	**23,298**
		788	788			
				282		282
	(147)	83	(64)	(64)		(64)
					850	850
					(852)	(852)
					150	150
	(41)	(204)	(245)	(245)		(245)
(48)			(48)	(48)	32	(16)
	(2)		(2)	(2)		(2)
	19		24	24	20	44
	4,018		4,018	4,018	226	4,244
(93)	**13,010**	**(935)**	**12,362**	**24,610**	**3,079**	**27,689**
	(1,039)		(1,039)	(1,039)	(140)	(1,179)
(93)	**11,971**	**(935)**	**11,323**	**23,571**	**2,939**	**26,510**
				346		346
	(226)	161	(65)	(65)		(65)
					1,276	1,276
	(50)	(329)	(379)	(379)		(379)
(342)			(342)	(342)	(203)	(545)
	22		19	19	180	199
	3,295		3,295	3,295	343	3,638
(435)	**15,012**	**(1,103)**	**13,851**	**26,445**	**4,535**	**30,980**
	(1,040)		(1,040)	(1,040)	(284)	(1,324)
(435)	**13,972**	**(1,103)**	**12,811**	**25,405**	**4,251**	**29,656**
				229		229
					700	700
	(94)	(802)	(896)	(896)		(896)
(167)			(167)	(167)	(284)	(451)
	(33)		(33)	(33)		(33)
	25		22	22	12	34
	3,761		3,761	3,761	340	4,101
(602)	**17,631**	**(1,905)**	**15,498**	**28,321**	**5,019**	**33,340**

NOTE 22 (CONT'D) – CONSOLIDATED SHAREHOLDERS' EQUITY

OPERATIONS INVOLVING SHARE CAPITAL IN 2001, 2002 AND 2003

Operations Affecting Capital in 2001

Capital Reduction

Pursuant to authorisations granted by the fifth and twenty-second resolutions of the Shareholders' Meeting of 23 May 2000, the Board of Directors decided on 6 March 2001 to cancel by way of a reduction of capital 9,000,000 BNP Paribas shares held in treasury stock.

Capital Increases

In accordance with Section L225-129-V of the new French Companies Act (formerly Section 180-V of the 24 July 1966 Act) and pursuant to authorisation received from the Shareholders' Meeting of 15 May 2001, the Board of Directors decided on 6 March 2001 and 15 May 2001, to issue BNP Paribas shares reserved for participants in the company savings plan via the BNP Paribas Accueil mutual fund. On 26 June 2001, the mutual fund subscribed 3,361,921 ordinary shares with a par value of EUR 4 for this purpose. In addition, during 2001, BNP Paribas employees subscribed 417,720 shares with rights from 1 January 2000 under the stock option plan.

At 31 December 2001, the capital of BNP Paribas SA consisted of 442,985,696 fully-paid ordinary shares with a par value of EUR 4.

During 2001, employees also subscribed 325,801 shares with a par value of EUR 4 and with rights from 1 January 2001 under the stock option plan. The corresponding capital increase was carried out on 17 January 2002.

Operations Affecting Capital in 2002

Share split

In accordance with the authorisation received from the Shareholders' Meeting of 15 May 2001 (twelfth resolution), on 18 December 2001 the Board of Directors decided to carry out a two-for-one share split. Following this share split, carried out on 20 February 2002, BNP Paribas' capital was made up of 886,622,994 ordinary shares with a par value of EUR 2.

Capital Increases

In accordance with Section L225-129-V of the new French Companies Act (formerly Section 180-V of the 24 July 1966 Act) and pursuant to authorisations received from the Shareholders' Meeting of 15 May 2001, the Board of Directors decided on 28 February 2002, to issue BNP Paribas shares reserved for participants in the company savings plan via the BNP Paribas Accueil mutual fund. On 27 June 2002, the mutual fund subscribed 7,623,799 ordinary shares with a par value of EUR 2 for this purpose. In addition, BNP Paribas employees subscribed 927,046 shares with rights from 1 January 2001 under the stock option plan.

At 31 December 2002, the capital of BNP Paribas SA consisted of 895,173,839 fully-paid ordinary shares with a par value of EUR 2.

During 2002, employees also subscribed 705,985 shares with a par value of EUR 2 and with rights from 1 January 2002 under the stock option plan. The corresponding capital increase was carried out on 23 January 2003.

Operations Affecting Capital in 2003

In accordance with Section L225-129-V of the new French Companies Act (formerly Section 180-V of the 24 July 1966 Act) and pursuant to authorisations received from the Shareholders' Meeting of 31 May 2002, the Board of Directors decided on 4 February 2003, to issue BNP Paribas shares reserved for participants in the company savings plan via the BNP Paribas Accueil mutual fund. On 2 July 2003, the mutual fund subscribed 6,673,360 ordinary shares with a par value of EUR 2 for this purpose. Also on 2 July 2003, 517,716 shares were issued to employees on exercise of stock options, with rights from 1 January 2002 and 100,715 shares with rights from 1 January 2003.

NOTE 22 (CONT'D) – CONSOLIDATED SHAREHOLDERS' EQUITY

Operations Affecting Capital in 2003 (cont'd)

At 31 December 2003, the capital of BNP Paribas SA consisted of 903,171,615 fully-paid ordinary shares with a par value of EUR 2.

During 2003, employees also subscribed 443,989 shares with a par value of EUR 2 and with rights from 1 January 2003 under the stock option plan. The corresponding capital increase was carried out on 28 January 2004.

ANALYSIS OF ADDITIONAL PAID-IN CAPITAL IN EXCESS OF PAR

In 2001, additional paid-in capital in excess of par was reduced by EUR 752 million as a result of the cancellation of 9,000,000 shares, and increased by EUR 266 million following the issue of BNP Paribas shares on exercise of employee stock options and in connection with an employee share issue.

In 2002, this item was increased by EUR 328 million following the issue of BNP Paribas shares on exercise of employee stock options and in connection with an employee share issue.

In 2003, this item was increased by EUR 213 million following the issue of BNP Paribas shares on exercise of employee stock options and in connection with an employee share issue.

Additional paid-in capital in excess of par also includes a capital gain on real estate restructuring of EUR 283 million related to a restructuring operation whereby BNP transferred its real estate holdings to its subsidiary "Compagnie Immobilière de France, CIF", in 1991 and 1992. The resulting capital gain is recognised in the consolidated profit and loss account in proportion to the additional depreciation charge taken by CIF. The residual gain includes a write-down of EUR 420 million taken during 1997 (see notes 1 and 11).

PREFERRED SHARES

In December 1997, BNP US Funding LLC, a wholly-owned subsidiary of the Group, made a USD 500 million issue of non-cumulative preferred shares, which do not dilute earnings per ordinary share. The shares pay a contractual dividend of 7.738% for a period of ten years. At the end of that period, the issuer may redeem the shares at par at the end of any calendar quarter. Until they are redeemed, the shares will pay a dividend indexed to Libor. The proceeds of this issue are included in shareholders' equity under "Minority interests" and the corresponding remuneration is treated as a distribution to minority shareholders.

A second USD 500 million issue of non-cumulative preferred shares was carried out in October 2000 by another wholly-owned subsidiary, BNP Paribas Capital Trust. These shares pay a contractual dividend of 9.003% for a period of ten years.

In October 2001, two non-cumulative preferred share issues, totalling EUR 350 million and EUR 500 million, were carried out by two wholly-owned subsidiaries of the Group, BNP Paribas Capital Trust II and III. Shares in the first issue pay a dividend of 7% over 5 years and shares in the second issue pay a dividend of 6.625% over 10 years. Shares in the first issue are redeemable at the issuer's discretion after five years and at each interest payment date thereafter. Shares that have not been redeemed will continue to pay a dividend of 7%.

In January and June 2002, an additional two non-cumulative preferred share issues, totalling EUR 660 million and USD 650 million, were carried out by two wholly-owned subsidiaries of the Group, BNP Paribas Capital Trust IV and V. Shares in the first issue pay a dividend of 6.342% over 10 years. The annual dividend on shares in the second issue is 7.2%, paid quarterly. The shares are redeemable after five years and at each quarterly coupon date thereafter. Shares that have not been redeemed will continue to pay a dividend of 7.2%.

In January 2003, another EUR 700 million non-cumulative preferred share issue was carried out by a wholly-owned subsidiary of the Group, BNP Paribas Capital Trust VI. The shares pay a contractual dividend of 5.868%. They are redeemable after 10 years and on each annual coupon date thereafter. Shares not redeemed in 2013 will pay a quarterly dividend equal to the 3-month Euribor + 2.48%.

NOTE 22 (CONT'D) – CONSOLIDATED SHAREHOLDERS' EQUITY

BNP PARIBAS SHARES HELD BY THE GROUP

Pursuant to the sixth resolution of the Shareholders' Meetings of 31 May 2002 and 14 May 2003, BNP Paribas was authorised to buy back shares representing a maximum of 10% of its capital in order to stabilise the share price, or to award or sell the shares to employees under the statutory profit-sharing scheme or company savings plans, or to cancel the shares acquired, or to sell, exchange or otherwise dispose of them, for financial or asset/liability management purposes.

At 31 December 2003, the BNP Paribas Group held 46,426,443 BNP Paribas shares representing an amount of EUR 1,985 million, including 44,818,443 shares representing EUR 1,905 million deducted from shareholders' equity.

In millions of euros	*Other participating interests*		**Trading account securities (note 5)**		*TOTAL*	
	Number of securities	Book value	Number of securities	Book value	Number of securities	Book value
Shares held at 31 December 2001	**8,808,175**	**774**	**75,450**	**7**	**8,883,625**	**781**
Two-for-one share split	8,808,175		75,450		8,883,625	-
Shares acquired pursuant to shareholder authorisations	12,663,315	436			12,663,315	436
Other movements	(2,385,212)	(107)	215,100	7	(2,170,112)	(100)
Shares held at 31 December 2002	**27,894,453**	**1,103**	**366,000**	**14**	**28,260,453**	**1,117**
Shares acquired pursuant to shareholder authorisations	22,547,920	1,061			22,547,920	1,061
Other movements	(5,623,930)	(259)	1,242,000	66	(4,381,930)	(193)
Shares held at 31 December 2003	**44,818,443**	**1,905**	**1,608,000**	**80**	**46,426,443**	**1,985**

BNP PARIBAS GROUP

NOTE 23 – OFF BALANCE SHEET COMMITMENTS

In millions of euros, at 31 December	2003	2002	2001
FINANCING COMMITMENTS GIVEN AND RECEIVED			
Financing commitments given:			
To credit institutions	25,451	16,310	9,177
On behalf of customers:			
– Confirmed letters of credit			
• Documentary credits	14,500	16,326	6,911
• Other confirmed letters of credit	86,686	49,019	53,878
– Other commitments given on behalf of customers	29,650	58,743	62,963
	130,836	**124,088**	**123,752**
Total financing commitments given	**156,287**	**140,398**	**132,929**
Roll-over (standby) commitments received:			
From credit institutions	41,217	19,040	13,530
On behalf of customers	2,759	2,496	8,825
Total financing commitments received	**43,976**	**21,536**	**22,355**
GUARANTEES AND ENDORSEMENTS GIVEN AND RECEIVED			
Guarantees and endorsements given:			
To credit institutions			
– Confirmed documentary credits	1,382	2,035	997
– Other	3,865	4,812	6,585
	5,247	**6,847**	**7,582**
On behalf of customers			
– Guarantees and endorsements:			
• Real estate guarantees	862	883	1,314
• Administrative and tax guarantees	7,038	7,361	6,841
• Other	6,111	6,179	5,016
– Other guarantees given on behalf of customers	37,607	38,956	59,190
	51,618	**53,379**	**72,361**
Total guarantees and endorsements given	**56,865**	**60,226**	**79,943**
Guarantees and endorsements received:			
From credit institutions	21,633	23,362	16,767
On behalf of customers			
– Guarantees received from government administrations	2,392	1,895	5,687
– Guarantees received from financial institutions	478	299	1,020
– Other guarantees received	18,448	18,268	18,802
Total guarantees and endorsements received from customers	**21,318**	**20,462**	**25,509**
Total guarantees and endorsements received	**42,951**	**43,824**	**42,276**
COMMITMENTS GIVEN AND RECEIVED ON SECURITIES			
Securities to be received	7,735	14,904	10,909
Securities sold under repurchase agreements to be received (a)	117	133	181
Total securities to be received	**7,852**	**15,037**	**11,090**
Total securities to be delivered	**7,389**	**7,960**	**9,216**

(a) Receipt of these securities is contingent upon exercise of the repurchase option.

NOTE 24 – FORWARD AND OPTIONS CONTRACTS

Forward financial instruments are purchased on various markets for use as specific or general hedges of assets and liabilities and for position management purposes.

In millions of euros, at 31 December	2003			2002		
	Hedging transactions	Position management	Total	Hedging transactions	Position management	Total
Forward contracts	**268,731**	**14,481,754**	**14,750,485**	**836,631**	**10,829,381**	**11,666,012**
On organised exchanges	18,050	7,217,623	7,235,673	448,558	3,961,047	4,409,605
- Interest rate contracts	7,253	7,178,284	7,185,537	443,010	3,924,745	4,367,755
- Foreign exchange contracts	10,411	9,864	20,275	5,547	20,402	25,949
- Financial assets contracts	386	29,475	29,861	1	15,900	15,901
Over-the-counter	250,681	7,264,131	7,514,812	388,073	6,868,334	7,256,407
- Forward rate agreements (FRAs)	13,413	529,224	542,637	4,687	393,594	398,281
- Interest rate swaps	112,179	5,145,442	5,257,621	229,642	5,122,145	5,351,787
- Currency swaps	61,497	508,927	570,424	68,313	445,905	514,218
- Forward currency swaps	62,323	906,114	968,437	82,309	785,725	868,034
- Other forward contracts	1,269	174,424	175,693	3,122	120,965	124,087
Options	**40,043**	**3,566,281**	**3,606,324**	**44,089**	**2,249,741**	**2,293,830**
On organised exchanges	1,046	1,933,578	1,934,624	622	831,863	832,485
Interest rate options	17	1,748,719	1,748,736	10	266,178	266,188
- purchased	17	886,151	886,168	10	115,450	115,460
- sold		862,568	862,568		150,728	150,728
Currency options	896		896		2,167	2,167
- purchased	787		787		1,104	1,104
- sold	109		109		1,063	1,063
Other options	133	184,859	184,992	612	563,518	564,130
- purchased	10	114,678	114,688	286	258,400	258,686
- sold	123	70,181	70,304	326	305,118	305,444
Over-the-counter	38,997	1,632,703	1,671,700	43,467	1,417,878	1,461,345
Caps and floors	15,396	393,432	408,828	10,561	490,127	500,688
- purchased	8,053	174,497	182,550	7,150	234,721	241,871
- sold	7,343	218,935	226,278	3,411	255,406	258,817
Swaptions and options (interest rate, currency and other)	23,601	1,239,271	1,262,872	32,906	927,751	960,657
- purchased	11,670	572,880	584,550	20,163	405,862	426,025
- sold	11,931	666,391	678,322	12,743	521,889	534,632
Total forward and options contracts	**308,774**	**18,048,035**	**18,356,809**	**880,720**	**13,079,122**	**13,959,842**

The nominal amounts of the contracts shown above should be construed as indicators of the BNP Paribas Group's activity on the financial instruments markets and not as indicators of the market risks arising on these instruments.

At 31 December 2003, the forwards and options contracts item included EUR 141,555 million in credit derivatives (EUR 80,711 million purchased and EUR 60,844 million sold)

NOTE 24 (CONT'D)– FORWARD AND OPTIONS CONTRACTS

ASSESSMENT OF COUNTERPARTY RISKS

The BNP Paribas Group's exposure to counterparty risk arising on forward and options contracts is assessed according to European Union and international capital adequacy ratios applicable at 31 December 2003. Accordingly, it takes into account signed netting agreements, which are used to attenuate counterparty risk on derivatives.

The Bank primarily uses the portfolio approach, which enables it to close all positions in the case of default by the counterparty and mark them to market. All payments receivable from the counterparty are netted off against payments due to the counterparty, to arriv e at the net close-out amount payable or receivable. The net close-out amount may be collateralised by requiring the counterparty to pledge cash, securities or deposits.

The Bank also uses bilateral payment flow netting to attenuate counterparty risk on foreign currency payments. Bilateral payment flow netting consists of replacing streams of payment orders in a given currency by a cumulative balance due to or from each party, representing a single sum in each currency remaining to be settled on a given day between the Bank and the counterparty.

The transactions concerned are executed according to the terms of bilateral or multilateral master agreements that comply with the general provisions of national or international master agreements. The main bilateral agreement models used are those of the "Association Française des Banques" (AFB), or those of the International Swaps and Derivatives Association (ISDA) for international agreements. The BNP Paribas Group also participates in EchoNetting, enabling it to use multilateral netting for transactions involving the other participants within the organisation.

Credit risks on OTC forward and options contracts

	31 December 2003 (in millions of euros)				
By type of counterparty	Gross replacement cost	Net replacement cost	Collateral	Net value after collateral	Weighted risk equivalent
Sovereign exposure	1,174	851		851	
Risk exposure on banks in zone A (a)	104,703	18,206	7,173	11,032	8,016
Risk exposure on banks in zone B (a) and non-banking counterparties	15,593	8,195	1,217	6,979	6,677
Total	**121,470**	**27,252**	**8,390**	**18,862**	**14,693**

By credit rating (Standard & Poor's)	Net replacement cost	Collateral	Net value after collateral	Weighted risk equivalent
AAA – AA	8,537	2,312	6,225	3,874
A	3,081	1,624	1,457	1,831
BBB	10,139	3,329	6,810	5,273
BB or lower	2,616	1,039	1,577	1,749
Not rated	2,879	86	2,793	1,966
Total	**27,252**	**8,390**	**18,862**	**14,693**

(a) Zone A consists of the member states of the European Union (EU) and the Organisation for Economic Cooperation and Development (OECD) provided that they have not rescheduled any external sovereign debt within the previous five years, and countries that have negotiated special borrowing agreements with the International Monetary Fund (IMF) within the framework of the IMF's General Agreements to Borrow (GAB). Zone B consists of all other countries.

At 31 December 2003, the weighted risk equivalent of OTC forward and options contracts represented 0.17% of the sum of the notional amounts, excluding written options, unchanged compared with 31 December 2002.

Forward and options contracts break down as follows by remaining term at 31 December 2003:

Maturity	**Notional amount by remaining term (in %)**			**Total**
	Within 1 year	After 1 year but within 5 years	After 5 years	
Interest rate instruments	39%	28%	17%	84%
Currency instruments and other contracts	9%	6%	1%	16%
Total	**48%**	**34%**	**18%**	**100%**

NOTE 25- BNP PARIBAS GROUP EXPOSURE TO MARKET RISKS ON FINANCIAL INSTRUMENT TRANSACTIONS AT 31 DECEMBER 2003

Since 31 March 2000, the BNP Paribas Group uses a single internal Value at Risk system to estimate the potential losses that could be incurred in the case of an unfavourable change in market conditions.

Potential losses are measured based on "Gross Earnings at Risk" (GEaR). GEaR takes into account a large number of variables which could affect the value of the portfolios, including interest rates, lending margins, exchange rates, the price of the various securities, their volatilities and the correlations between variables.

The system uses the latest simulation techniques and includes processing of non-linear (convex) positions, as well as the volatility risk generated by options. Daily movements in the different variables are simulated to estimate potential losses on market transactions under normal market conditions and assuming normal levels of liquidity.

The French banking authorities (Commission Bancaire) have approved this internal model, including the following methodologies:

- capture of the correlation between categories of risk factors (interest rate, currency, commodity and equity risks) in order to integrate the effects of diversifying inherent risks,
- capture of the specific interest rate risk arising from potential variations in lending margins, in order to actively and accurately measure risks associated with trading in credit risks.

Values at Risk set out below have been determined using the internal model. The model parameters have been set by the method recommended by the Basle Committee for the determination of estimated values at risk ("Supplement to the Capital Accord to Incorporate Market Risks"). The main measurement parameters are as follows:

- change in the value of the portfolio over a holding period of 10 trading days;
- confidence level of 99% (i.e. over a 10-day holding period, potential losses should not exceed the corresponding GEaR in 99% of cases);
- historical data covering 260 days' trading.

For the period from 1 January to 31 December 2003, the total average Value at Risk amounted to EUR 112 million (with a minimum of EUR 51 million and a maximum of EUR 307 million), taking into account the EUR 74 million effect of netting different types of risk. These amounts break down as follows:

Value at Risk (10 days – 99%): Analysis by type of risk

In millions of euros	1 January - 31 December 2003			31 December 2003	31 December 2002	31 December 2001
	Average	Minimum	Maximum			
Interest rate risk	123	62	292	92	77	112
Equity risk	47	22	109	43	86	30
Currency risk	6	3	15	9	8	25
Commodity risk	10	5	16	6	7	3
Netting effect	*(74)*			*(81)*	*(91)*	*(54)*
Total	**112**			**69**	**87**	**116**

NOTE 26 – SECURITIZATIONS

The BNP Paribas Group carries out securitization transactions leading to the creation of specific entities on behalf of customers, in some cases with a guarantee or a liquidity line, and on its own behalf, in connection with the management of counterparty risks on certain portfolios and asset-liability management operations for certain subsidiaries. In these cases, the Group retains part of the risk by paying a guarantee deposit or subscribing to a subordinated tranche. The securitization entities are not consolidated, in accordance with generally accepted accounting principles.

Securitization Transactions Carried Out on Behalf of Customers

- **Short-Term Refinancing Operations**

At 31 December 2003, three non-consolidated multiseller conduits (Eliopée, Thésée and Starbird) were managed by the Group on behalf of customers. These entities are refinanced on the short-term commercial paper market. The Group has issued letters of credit guaranteeing the default risk on the sold receivables up to an amount of EUR 333 million and has also granted liquidity lines totalling EUR 7,403 million to these entities.

At 31 December 2003, no provisions were required in connection with any of these short-term refinancing transactions.

- **Medium– and Long–Term Refinancing Operations**

BNP Paribas acts on behalf of customers as arranger of securitization funds and placing agent for covered bond issues, but does not manage the securitization funds. As of 31 December 2003, the Group had set up liquidity lines totalling EUR 171 million for three of the funds (BEI-Iris 4, Tiepolo Finance and Telecom Italia SV), representing EUR 1,112 million in securitized receivables. The Group has not issued any letters of credit and, consequently, is not exposed to any counterparty risk on these transactions.

Securitization Transactions Carried Out on the Group's Own Behalf

- In connection with the Group's asset-liability management activities, Cetelem has sold consumer loans, UCB and UCI have sold real estate loans, Findomestic has sold credit card receivables, and Centroleasing has sold leasing receivables to non-consolidated securitization vehides. The subsidiaries have also given these vehicles a limited guarantee covering the credit risk on the sold loans. Securitization transactions carried out in accordance with Act No. 88-1205 of 23 December 1988 (amended) dealing with securitization funds, are not consolidated pursuant to the criteria laid down in standard CRC 99-07, because the Group does not have decision-making power at the level of the funds' Board of Directors or equivalent.

The following table summarises the transactions carried out at 31 December 2003 (in millions of euros):

Subsidiaries that initiated securitizations	*Securitization vehicle*	Date launched	Life of the vehicle scheduled to end in	Gross amount of securitized receivables at 31 Dec. 2003	Gross amount of guarantees at 31 Dec. 2003
Cetelem (France)	***Noria 3***	1997	2004	38	3.4
	Master Noria	1998	2006	597	21.1
UCB (France)	**Domos 1 to 5**	**1994-1999**	**2004-2011**	**721**	**32.0**
	Master Domos	1999	2012	1,694	38.3
Findomestic (Italy)	***Findomestic***	2000	2005	336	-
	MasterDolfin	2003	2008	350	12.0
UCI (Spain)	***UCI 2 to 9***	1995-2003	2004-2017	2,200	27.9
Centro Leasing (Italy)	**Ponte Vecchio Finance**	**2002**	**2007**	**573**	-
	Ponte Vecchio Finance 2	**2003**	**2010**	**431**	-

At 31 December 2003, no provisions were required in connection with any of the guarantees given to these securitization vehicles.

NOTE 26 (CONT'D) – SECURITIZATIONS

- In order to reduce the credit risk on certain portfolios, the Group carries out synthetic securitizations by transferring to the market the bulk of the credit risk attached to the retained interest using credit derivatives (purchases of options or credit default swaps). These credit derivatives are entered into either through dedicated structures or directly with other credit institutions.

  Synthetic securitizations concern EUR 15 billion worth of consolidated assets, corresponding to loans to major European and American companies. The risk retained by the Group concerns the equity or subordinated tranche of the notes issued by the securitization vehicles and purchased by the Group.

Synthetic Securitizations (in millions of euros)

Securitization vehicle	Date launched	Life of the vehicle scheduled to end in	Gross counterparty risk before securitization at 31 December 2003	Gross risk retained by the Group (1)	Provisions and losses in 2003 (2)	Accumulated provisions and losses at 31 December 2003
Olan 1,2 (France)	***1999/2000***	***2004/2005***	5,201	104.0	42.7	63.1
Falcon (USA)	***2000***	***2005***	4,115	107.0	39.2	77.7
Euroliberté (France)	***2001***	***2008***	3,215	139.8	17.9	17.9
Condor (USA)	***2001***	***2006***	2,280	103.8	-	-
Jules Vernes (USA)	***2002***	***2006***	671	35.8	-	-

(1) This risk is retained by the Group due to the equity instruments issued by the securitization vehicles, against which the initial losses on assets guaranteed by the vehicles are set off.

(2) If a counterparty defaults on a loan backed by synthetic securitization, the securitization vehicle pays the amount corresponding to the default. The amount received in respect of the gross risk retained by the Group is set off against the loss of principal on the equity or subordinated tranche of the notes issued. This is why the portfolios are covered by a provision in the amount of the gross risk retained by the Group.

NOTE 27- PENSION AND POSTEMPLOYMENT BENEFIT OBLIGATIONS

- Pension Benefits

Since 1 January 1994, pursuant to the new industry-wide agreement on pensions presented in note 1, the BNP Paribas Group has been making contributions to several nation-wide supplementary pension organisations **in France**.

The BNP and Paribas pension funds pay additional benefits relative to services rendered prior to 31 December 1993. The actuarial value of these pension obligations is computed based on the 1993 mortality table recommended by the French Insurance Code. The difference between the discount and inflation rates used since 31 December 1999 is roughly 3.0%, corresponding to the constant differential between long-term interest rates and inflation. Funding for the ex-BNP employees' pension fund is provided by transfers from its existing reserves and reserves that will steadily become eligible for allocation (approximately EUR 91 million at 31 December 2003), and by the annual employers' contributions paid contractually by BNP in France, which are limited to 4% of payroll costs. At 31 December 2002, the pension fund for Paribas employees had reserves of EUR 285 million. Contributions paid by BNP Paribas under the above pension schemes in France are charged to the profit and loss account in the year of payment. In addition, a reserve for general banking risks was set up as a precautionary measure in 1993, mainly to take account of the general demographic risk addressed by the industry-wide agreement concluded in September 1993 (see notes 1 and 21).

BNP Paribas SA has set up a funded pension system via a company agreement. This system provides for the payment to BNP Paribas employees of additional benefits over and above those they receive from the nation-wide organisations.

Concerning plans **outside France,** pension obligations are provided for in the consolidated financial statements according to the method described in note 1.

Retirement plans are based on pension rights acquired which are defined using either the employee's last salary and the number of years' service (United Kingdom, Ireland and Canada) or rights to capital acquired each year, expressed as a percentage of annual salary and on which interest is payable at a pre-defined rate (United States).

Some plans are supplementary retirement schemes related to statutory pensions (Norway, Luxembourg).

Other plans are wholly funded through insurance companies (Spain) or independent fund managers (United Kingdom)

The demographic and financial assumptions used to estimate the discounted present value of benefit obligations and the estimated yield on plan assets are based on the economic conditions specific to each country or Group company.

Unamortised actuarial differences amounted to EUR 102 million at 31 December 2003, net of EUR 8 million in amortisation for the year. EUR 91 million are not amortisable, in accordance with the corridor method.

In recent years, defined benefit plans have been closed to new employees in several countries (United Kingdom, Ireland, Norway and Australia). These employees are now offered defined contribution plans. Under defined contribution plans, the company's obligation consists primarily of paying a percentage of the beneficiary's salary into the pension plan.

- Seniority, Postemployment and Other Postretirement Benefits

Employees of the various BNP Paribas Group companies are entitled to collective or contractual seniority and postemployment benefits such as retirement and seniority bonuses. In France, BNP Paribas is encouraging voluntary departures and early retirement among employees who meet certain eligibility criteria. Various companies in the BNP Paribas Group have also set up defined-benefit supplementary pension plans.

As a general rule, actuarial valuations of these obligations are made using a method that takes into account projected end-of-career salaries (projected unit credit method) in order to determine the aggregate charge corresponding to benefits remaining to be paid to early retirees, retirees (if applicable), as well as the vested benefits of active employees.

Assumptions concerning mortality, employee turnover, and future salaries, as well as discount rates (long-term market rates) and inflation, take into account economic conditions specific to each country or Group company. In France, the 1988-1990 mortality table adapted to the banking industry is used.

At 31 December 2003, the discount rate used for France and the estimated inflation rate are consistent with those used to assess the risks related to additional bank pension benefits.

BNP Paribas sets up a provision to cover the charges related to the voluntary departure or early retirement of employees, once the voluntary departure or early retirement plan concerned has been approved or submitted for collective approval.
These provisions set up for pensions and other post-retirement benefit obligations in France and other countries amounted to EUR 1,467 million at 31 December 2003.

NOTE 28 – MATURITY SCHEDULE OF LOANS, DEPOSITS AND INTEREST RATE INSTRUMENTS

In millions of euros, at 31 December	Maturity					Total
	Demand and overnight	Maturing within three months	Maturing after three months but within one year	Maturing after one but within five years	Maturing after five years	
LOANS (GROSS)						
Interbank and money market items (note 3)	**54,333**	**180,890**	**19,508**	**9,589**	**11,021**	**275,341**
– Cash and amounts due from central banks and post office banks	5,287					5,287
– Treasury bills and money market instruments		82,989	7,816	6,398	9,645	106,848
– Due from credit institutions	49,046	97,901	11,692	3,191	1,376	163,206
Customer items (note 4)	**27,063**	**60,208**	**30,067**	**72,146**	**41,995**	**231,479**
– Due from customers	27,063	57,561	26,518	60,173	39,347	210,662
– Leasing receivables		2,647	3,549	11,973	2,648	20,817
Bonds and other fixed income instruments (note 5) (1)		**43,011**	**2,747**	**6,589**	**2,653**	**55,000**
– Trading account securities		34,217				34,217
– Securities available for sale		8,022	2,072	2,755	2,203	15,052
– Debt securities held to maturity		772	675	3,834	450	5,731
DEPOSITS						
Interbank and money market items and securities (note 14)	**53,212**	**119,470**	**15,387**	**3,020**	**1,190**	**192,279**
– Total interbank and money market items	53,212	119,295	15,387	2,557	803	191,254
– Interbank market securities		175		463	387	1,025
Customer deposits, retail certificates of deposit, and negotiable certificates of deposit (note 15)	**94,973**	**128,257**	**22,334**	**20,440**	**16,564**	**282,568**
– Total customer deposits	94,973	92,665	6,059	7,597	9,327	210,621
– Total bonds and negotiable short-term debt instruments		35,592	16,275	12,843	7,237	71,947

(1) Excluding accrued interest of EUR 556 million.

The BNP Paribas Group manages its liquidity within gap limits, all currencies combined, that are determined by the General Management Committee:

- the maximum mismatch on weighted balance sheet and off balance sheet commitments maturing in more than one year (attributing standard maturities to commitments with no contractual maturity) is set at 25% of loans maturing in more than one year;
- the maximum mismatch on commitments with a contractual maturity, that are scheduled to mature in more than one year, is set at 150% of stable funds with no contractual maturity (customer demand deposits and savings deposits net of overdrafts, shareholders' equity net of fixed assets).

BNP Paribas continually seeks to comply with regulatory guidelines with respect to its short-term (one-month) liquidity ratio and its ratio of shareholders' equity to long-term funding (funds maturing in more than five years).

Maturities of bonds and subordinated debt are presented in notes 16 and 20.

NOTE 29 – NET INTEREST INCOME

Expenses			Income			In millions of euros	Net income (expense)		
2003	2002	2001	2003	2002	2001		2003	2002	2001
(7,212)	(11,460)	(19,783)	5,846	8,876	16,375	Interbank items (note 30)	(1,366)	(2,584)	(3,408)
(3,524)	(3,695)	(5,424)	10,548	11,679	13,883	Customer items (note 31)	7,024	7,984	8,459
(5,991)	(5,757)	(5,062)	7,309	7,119	6,496	Leasing transactions	1,318	1,362	1,434
(3,936)	(5,310)	(5,058)				Debt securities	(3,936)	(5,310)	(5,058)
			3,471	3,932	2,549	Bonds and other fixed income instruments (note 32)	3,471	3,932	2,549
(20,663)	**(26,222)**	**(35,327)**	**27,174**	**31,606**	**39,303**	**Net interest income (expense)**	**6,511**	**5,384**	**3,976**

NOTE 30 – NET INTEREST INCOME (EXPENSE) ON INTERBANK ITEMS

Expenses			Income			In millions of euros	Net income (expense)		
2003	2002	2001	2003	2002	2001		2003	2002	2001
(4,751)	(7,901)	(14,262)	3,556	5,622	10,756	Interest on interbank demand deposits, loans and borrowings	(1,195)	(2,279)	(3,506)
(2,461)	(3,559)	(5,521)	2,288	3,251	5,611	Interest on securities held or given under resale/repurchase agreements	(173)	(308)	90
			2	3	8	Interest on subordinated term loans	2	3	8
(7,212)	**(11,460)**	**(19,783)**	**5,846**	**8,876**	**16,375**	**Net interest income (expense) on interbank items**	**(1,366)**	**(2,584)**	**(3,408)**

NOTE 31– NET INTEREST INCOME (EXPENSE) ON CUSTOMER ITEMS

Expenses			Income				Net income (expense)		
2003	2002	2001	2003	2002	2001	In millions of euros	2003	2002	2001
(2,978)	(3,225)	(4,401)	10,133	11,215	13,062	Interest on customer loans and deposits	7,155	7,990	8,661
(546)	(470)	(1,023)	411	462	816	Interest on securities held or given under resale/repurchase agreements	(135)	(8)	(207)
			4	2	5	Interest on subordinated term loans	4	2	5
(3,524)	**(3,695)**	**(5,424)**	**10,548**	**11,679**	**13,883**	**Net interest income (expense) on customer items**	**7,024**	**7,984**	**8,459**

NOTE 32 – NET INCOME FROM SECURITIES PORTFOLIO

In millions of euros	2003	2002	2001
Interest on bonds and other fixed income instruments			
Securities available for sale	653	810	922
Debt securities held to maturity	1,117	1,080	1,097
From Codevi "industrial development" securities	230	212	209
From hedging of interest rate instruments and other	1,471	1,830	321
Total interest on bonds and other fixed income instruments:	**3,471**	**3,932**	**2,549**
Income on equities and other variable income instruments:			
Securities available for sale	12	22	129
Equity securities held for long-term investment	148	157	189
Investments in non-consolidated undertakings and other participating interests	123	144	246
Total income on equities and other variable income instruments	**283**	**323**	**564**
Net income from securities portfolio	**3,754**	**4,255**	**3,113**

NOTE 33 – NET COMMISSIONS

In millions of euros	Net		
	2003	2002	2001
Commissions on interbank and money market transactions	181	181	230
Commissions on customer transactions	1,482	1,530	1,272
Commissions on securities transactions (1)	145	(103)	(163)
Commissions on foreign exchange and arbitrage transactions	(9)	10	211
Commissions on securities commitments	193	113	118
Commissions on forward financial instruments	(143)	(124)	(66)
Commissions on securities managed or on deposit:			
Custody fees	170	184	213
Mutual fund management	732	739	990
Management of customer securities portfolios	200	218	221
Other commissions on securities managed or on deposit	32	30	36
Total commissions on securities managed or on deposit	1,134	1,171	1,460
Commissions on securities transactions carried out on behalf of customers:			
For purchases and sales of securities	257	302	422
For purchases and sales of mutual fund shares	124	139	175
Other commissions on securities transactions carried out on behalf of customers	273	248	228
Total commissions on securities transactions carried out on behalf of customers	654	689	825
Other commissions:			
Commissions on customer assistance and advisory services	428	508	413
Commissions on payment instruments	558	552	474
Commissions on other financial services	(970)	(908)	(980)
Expense recoveries	118	116	102
Commissions on miscellaneous revenues	365	350	351
Commissions on other banking transactions	157	93	137
Total other commissions	656	711	497
Total commissions on financial services	2,444	2,571	2,782
Net commissions	**4,293**	**4,178**	**4,384**

(1) The change in 2003 stems from the full consolidation of the entities of the Cortal Consors Group, which were previously accounted for by the equity method.

Total commissions represented 23.9% of net banking income in 2003 (24.9% in 2002 and 25.1 % in 2001).

NOTE 34 – UNDERWRITING RESULT AND NET INVESTMENT INCOME OF INSURANCE COMPANIES

In millions of euros	2003	2002	2001
Net premium income	8,980	7,890	7,775
Net investment income	1,770	1,706	1,811
Claims expenses and changes in claims reserves	(9,100)	(8,170)	(8,276)
Other underwriting income and expenses, net	8	14	(2)
Underwriting result and net investment income of insurance companies[(a)].	**1,658**	**1,440**	**1,308**

Commissions paid to business referral partners and other contracting partners are not deducted from underwriting result and net investment income of insurance companies. Those commissions are recorded as “Net commissions” in the profit and loss account under “Commissions on other financial services" (note 33).

The above amounts are stated after eliminating intercompany income and expenses and net of reinsurance.

Changes in the value of underlying assets for unit-linked business are included in net investment income. They are offset by a symmetrical change in mathematical reserves set aside for unit-linked business, included in “Claims expenses”.

Gross premiums totalled 9,023 million in 2003 (EUR 8,192 million in 2002 and EUR 7,970 million in 2001).

(a) In 2003, the contribution of Group insurance companies to underwriting result and net investment income breaks down as follows, after elimination of intercompany income and expenses:

In millions of euros	**2003**				**2002**	**2001**
	NATIOVIE	**CARDIF**	**OTHER COMPANIES**	**TOTAL**		
Life underwriting result	112	81	17	210	145	178
Non-life underwriting result	12	64		76	59	31
Management fees addback	260	989	40	1,289	1,207	1,066
Financial reclassifications	118	26	3	147	113	144
Sub-total	502	1,160	60	1,722	1,524	1,419
Elimination of intercompany income and expenses	(51)	(11)	(2)	(64)	(84)	(111)
Net contribution to underwriting result and net investment income	451	1,149	58	1,658	1,440	1,308

NOTE 35 – SALARIES AND EMPLOYEE BENEFITS, INCLUDING PROFIT SHARING

In millions of euros	2003	2002	2001
Salaries	**4,742**	**4,619**	**4,627**
Termination benefits and social security taxes:			
Retirement bonuses and retirement expenses	400	385	336
Social security taxes	1,172	1,057	1,009
Total termination benefits and social security taxes	**1,572**	**1,442**	**1,345**
Incentive plans and profit sharing:			
Incentive plans	82	57	104
Profit sharing	97	64	113
Total incentive plans and profit sharing	**179**	**121**	**217**
Payroll taxes	**270**	**263**	**278**
Total salaries and employee benefits, including profit sharing	**6,763**	**6,445**	**6,467**

Gross remuneration and benefits paid to Executive Committee members totalled EUR 10.4 million in 2003. This amount includes fixed compensation for 2003, variable compensation received in 2003 in respect of 2002, attendance fees paid by Group companies and shares awarded in 2000 and 2001 under the deferred bonus plan. It does not include deferred variable compensation of EUR 0.7 million paid under the BNP Paribas deferred bonus plan.

Attendance fees paid to members of the BNP Paribas Board of Directors totalled EUR 0.5 million.

NOTE 36 – STOCK OPTION PLANS

1) BNP Paribas Unexpired Stock Option Plans

Plan year	Date of EGM at which plan was authorised	Date of Board Meeting at which the plan terms were decided	Number of grantees	Number of options granted	Starting date of the exercise period	Option expiry date	Exercise price (in euros)	Number of options exercised or forfeited at 31 Dec. 2003 (1)	Options outstanding at 31 Dec. 2003 (1)
2001 (2)	23 May 2000	15 May 2001	932	6,069,000	15 May 2005	14 May 2011	49	136,000	5,933,000
2002 (2)	23 May 2000	31 May 2002	1,384	2,158,570	31 May 2006	30 May 2012	60	63,020	2,095,550
2003 (3)	23 May 2000	21 March 2003	1,302	6,693,000	21 March 2007	20 March 2013	37.10	14,000	6,679,000

(1) The numbers of options and the exercise prices have been adjusted for the two-for-one share split which took place on 20 February 2002.
(2) The options are subject to vesting conditions related to the ratio between consolidated net income and average shareholders' equity for each of the years concerned. The minimum average ratio is 16% over the four years from the year of grant or over a rolling three-year period starting in the second year after the year-of grant.
(3) The vesting rules applicable to a portion of the options granted to employees are based in part on BNP Paribas share performance in relation to the Dow Jones EuroStoxx Bank index.

2) BNP Unexpired Stock Option Plans

Plan year	Date of EGM at which plan was authorised	Date of Board Meeting at which the plan terms were decided	Number of grantees	Number of options granted	Starting date of the exercise period	Option expiry date	Exercise price (in euros)	Number of options exercised or forfeited at 31 Dec. 2003 (1)	Options outstanding at 31 Dec. 2003 (1)
1997	14 Dec. 1993	22 May 1997	64	476,000	23 May 2002	22 May 2007	18.45	220,980	255,020
1998	14 Dec. 1993	13 May 1998	259	2,074,000	14 May 2003	13 May 2008	37.28	342,385	1,731,615
1999	13 May 1998	3 May 1999	112	670,000	4 May 2004	3 May 2009	37.64	12,000	658,000
1999 (2)	13 May 1998	22 Dec. 1999	642	5,064,000	23 Dec. 2004	22 Dec. 2009	45.16	452,000	4,612,000
2000 (2)	13 May 1998	7 April 2000	1,214	1,754,200	8 April 2005	7 April 2010	42.50	260,500	1,493,700

(1) The numbers of options and exercise prices have been adjusted for the two-for-one share split which took place on 20 February 2002.
(2) Plans concerning the employees of the two groups, BNP and Paribas, prior to their merger. The options vested only in the event that no payments were due in respect of the Contingent Value Rights Certificates attached to the shares issued at the time of the BNP-Paribas merger (note 22).

NOTE 36 (CONT'D) – STOCK OPTION PLANS

3) PARIBAS UNEXPIRED STOCK OPTION PLANS

Plan year	Originating company	Date of EGM at which plan was authorised	Date of Board Meeting at which the plan terms were decided	Type of options	Number of grantees	Adjusted number of options granted (1)	Starting date of the exercise period (2)	Option expiry date	Adjusted exercise price (in euros) (1)	Adjusted number of options exercised or forfeited at 31 Dec. 2003 (1)	Adjusted options outstanding at 31 Dec. 2003 (1)
• **PARIBAS SA AND MERGED SUBSIDIARIES**											
1996	CB	17 March 1993	5 Nov. 1996	S	100	624,696	6 Nov. 2001	4 Nov. 2004	13.89	419,784	204,912
	Cardif	26 April 1993	21 Nov. 1996	S	35	198,832	22 Nov. 2001	20 Nov. 2004	17.50	127,080	71,752
1997	CFP	27 May 1992	20 Jan. 1997	P	526	5,178,206	20 Jan. 2002	20 Jan. 2005	17.30	3,794,756	1,383,450
	CFP	27 May 1992	7 July 1997	P	4	77,125	7 July 2002	7 July 2005	19.47	52,445	24,680
	CB	26 April 1997	30 Sept. 1997	P	149	615,608	1 Oct. 2002	29 Sept. 2005	19.71	241,007	374,601
	CFP	25 April 1997	26 Dec. 1997	P	319	6,370,545	26 Dec. 2002	26 Dec. 2005	23.47	3,483,309	2,887,236
1998	PARIBAS	11 May 1998	17 Nov. 1998	P	975	7,255,377	17 Nov. 2003	17 Nov. 2006	20.41	3,552,578	3,702,799
1999	PARIBAS	24 April 1997	4 May 1999	P	1	30,850	4 May 2004	4 May 2007	31.88	-	30,850
• **FULLY CONSOLIDATED SUBSIDIARIES OF PARIBAS**											
1996	CETELEM	24 March 1994	4 Nov. 1996	S	95	482,903	5 Nov. 2001	3 Nov. 2004	15.51	358,177	124,726
	UFB	18 March 1993	16 Oct. 1996	S	37	200,976	17 Oct. 2001	15 Oct. 2004	13.72	99,853	101,123
1997	CETELEM	27 March 1997	22 Sept. 1997	P	117	332,893	23 Sept. 2002	21 Sept. 2005	17.19	112,195	220,698

CB: Compagnie Bancaire **CFP:** Compagnie Financière Paribas
S: Options exercisable for newly -issued shares **P**: Options exercisable for existing shares held by the Bank

(1) Number of options and exercise price expressed in BNP Paribas shares:

- For Compagnie Bancaire, Compagnie Financière Paribas and Banque Paribas, based on the following conversion rates:

  9 Paribas shares for 5 Compagnie Bancaire shares, 1 Paribas share for 1 Compagnie Financière Paribas share, 1 Paribas share for 1 Banque Paribas share, 3.085 BNP Paribas shares for 1 Paribas share.

- For fully -consolidated subsidiaries of Paribas (Cetelem and UFB), the number of options and the exercise price are expressed in BNP Paribas shares calculated after the exchange: 1.791 Paribas shares for 1 Cetelem share, 3.085 BNP shares for 1 Paribas share, 1.62054 Paribas shares for 1 UFB share, 3.085 BNP Paribas shares for 1 Paribas share.

(2) Exercise dates set at the time of grant. The BNP Paribas merger agreement stipulates that the options may not be exercised until the fifth anniversary of the date of grant, as required under French tax rules, whatever the original exercise dates.

NOTE 37 – GAINS (LOSSES) ON DISPOSALS OF LONG-TERM INVESTMENTS AND CHANGES IN PROVISIONS

In millions of euros	2003	2002	2001
Debt securities held to maturity			
Disposal gains	106	7	33
Disposal losses	(3)	-	
Additions to provisions	-	-	(6)
Deductions from provisions	1	-	1
Net gains on disposals of debt securities held to maturity and changes in provisions	**104**	**7**	**28**
Equity securities held for long-term investment			
Disposal gains	790	1,147	1,142
Disposal losses	(248)	(73)	(75)
Additions to provisions	(261)	(396)	(230)
Deductions from provisions	243	219	90
Net gains on equity securities held for long-term investment and changes in provisions (1)	**524**	**897**	**927**
Investments in non-consolidated undertakings and other participating interests			
Disposal gains	337	187	364
Disposal losses	(501)	(109)	(125)
Additions to provisions	(201)	(233)	(168)
Deductions from provisions	416	147	94
Net gains (losses) on disposals of investments in non-consolidated undertakings and other participating interests and changes in provisions	**51**	**(8)**	**165**
Deduction from provisions for industry risks	**218**	**-**	**-**
Operating assets			
Disposal gains	53	11	21
Disposal losses	(38)	(4)	(16)
Net gains on disposals of operating assets	**15**	**7**	**5**
Total net gains on disposals of long-term investments and changes in provisions	**912**	**903**	**1,125**

(1) See note 12.

NOTE 38 – NON-RECURRING ITEMS

In millions of euros	2003	2002	2001
Movements in provisions for employee benefits	(313)	21	(93)
Movements in provisions for restructuring and discontinued operations	(59)	(51)	(18)
Compliance costs (changes in laws and regulations)	(45)	(49)	(33)
Write-down of the residual value of leased vehicles	-	(42)	-
Provision for losses on real estate lease contract with a call option	(10)	(25)	-
Other non-recurring expenses, net	(67)	(28)	(21)
Net non-recurring items	**(494)**	**(174)**	**(165)**

Non-recurring items reflect the impact on the financial statements of events that do not relate to the ordinary activities of the BNP Paribas Group's various lines of business. If these items were included under other profit and loss account headings, the comparability of current-period operations with those of the reference periods would be impaired.

Under the French Pensions Reform Act (Act no.2003-775) dated 21 August 2003, employees can elect to retire before the age of 65, but can no longer be required to do so by their employer. This legislative change has no impact on the rules governing the retirement bonuses paid by BNP Paribas Group companies in France. However, it does affect the actuarial assumptions applied to date by the Group to calculate the present value of the related benefit obligation, because of the probable impact of the new legislation on the age at which employees choose to retire. The Group has revised its estimate of the benefit obligation based on the new assumptions and has also recorded a provision for the payroll taxes that will now be due on retirement bonuses paid to employees who choose to retire before the age of 65. The additional cost, in the amount of EUR 229 million, has been provided for in full in 2003, in accordance with the practice consistently followed by the Bank and its French subsidiaries.

The Bank has also set up a EUR 70 million provision in connection with the new Employment Adaptation Plan implemented in order to manage the impact of the Pension Reform Act on the Group's employee age pyramid in France.

These two provisions are included in "Movements in provisions for employee benefits".

Lastly, provisions have been recorded to cover costs related to changes in the Group's strategy in Australia and India, the spin-off of the Securities business into subsidiaries as well as certain Private Banking & Asset Management businesses and Corporate & Investment Banking businesses. Provisions of EUR 51 million and EUR 18 million were set aside in 2002 and 2001 respectively. In 2003, a provision of EUR 59 million was also booked in connection with the restructuring of Retail Financial Services and International Retail Banking operations in several countries, and Corporate and Investment Banking on equity trading business.

In 2002, BNP Paribas recorded a provision of EUR 49 million to cover the final costs of adapting its production and information systems to deal with the introduction of the single European currency, bringing the total estimated cost of the project – incurred over the period 1996 to 2002 – to EUR 500 million. This amount covered the cost of adapting BNP Paribas' own information systems, the Group's contribution to the cost of adapting interbank systems, euro-related corporate communication and customer relations programme costs and costs related to the introduction of euro-denominated coins and bank notes in 2002. Expenses incurred in 2003 resulted from adapting information systems in accordance with applying international accounting standards as from 1 January 2005 and from changes in capital adequacy rules introduced by the international regulatory authorities.

The Group's UK fleet-financing subsidiaries use an external valuation model to determine projected resale values of leased vehicles. Problems were encountered in 2002 with the model used by a recently-acquired subsidiary, leading to the adoption of a new model and the recording of an exceptional EUR 42 million write-down of the value of leased vehicles to correct the valuation errors generated by the previous model.

Under a real-estate lease agreement signed in 1993 by First Hawaiian Bank, BancWest, a Group subsidiary, entered into an agreement to lease its headquarters building located in Hawaii until December 2003. In early 2003, BancWest opted to purchase this building. The purchase value was written down by EUR 35 million (of which EUR 25 million were recorded in 2002) to take into account the lasting decline of the real-estate market in Hawaii.

NOTE 39 – SEGMENT INFORMATION

- Income by Business Segment, Based on Allocated Capital

Income by business segment based on allocated capital is determined by attributing to each business the capital allocated to it based on the risks incurred. Capital allocations are made by applying a series of criteria based mainly on the capital required to cover risk-weighted assets, as determined according to capital adequacy rules.

The following analysis by business segment takes into account the organisational changes made in 2003, including the creation of a new "Retail Financial Services and International Retail Banking" division. These changes were carried out in tandem with the transfer of the Cortal – Consors Group to the Private Banking, Asset Management, Securities Services and Insurance division. Cortal – Consors formed part of Retail Financial Services until 2002. Data for 2002 have been restated to reflect the changes.

In millions of euros	Net banking income		Gross operating income		Operating income		Pre-tax income	
	2003	2002	2003	2002	2003	2002	2003	2002
Retail Banking in France	4,733	4,588	1,467	1,405	1,242	1,207	1,240	1,207
Retail Financial Services and International Retail Banking	4,903	4,878	2,158	2,025	1,629	1,503	1,408	1,284
International Retail Banking	*2,174*	*2,379*	*987*	*1,059*	*883*	*908*	*727*	*701*
Retail Financial Services	*2,729*	*2,499*	*1,171*	*966*	*746*	*595*	*681*	*583*
Corporate and Investment Banking	5,818	5,146	2,434	1,875	1,801	1,160	1,879	1,186
Private Banking, Asset Management, Securities Services and Insurance	2 476	2 292	803	792	787	784	723	787
BNP Paribas Capital	(34)	(21)	(73)	(65)	(76)	(70)	496	611
Other business units	39	(90)	(139)	(194)	(94)	(216)	(160)	(262)
TOTAL	**17,935**	**16,793**	**6,650**	**5,838**	**5,289**	**4,368**	**5,586**	**4,813**
France	9,891	9,018	3,303	2,828	2,522	2,333	2,886	2,895
Other European Economic Area countries	3,748	3,423	1,332	1,207	1,024	851	1,190	1,025
America and Asia	3,874	3,889	1,832	1,595	1,617	1,029	1,393	733
Other countries	422	463	183	208	126	155	117	160

- Group Activity by Geographic Area

In millions of euros, at 31 December	Interbank and money market items		Customer items		Total	
	2003	2002	2003	2002	2003	2002
Assets						
France	68,501	49,465	118,338	118,611	186,839	168,076
Other European Economic Area countries	91,665	81,647	53,593	51,803	145,258	133,450
America and Asia	112,463	106,742	45,518	50,259	157,981	157,001
Other countries	2,279	2,532	4,524	4,668	6,803	7,200
Total assets (notes 3 and 4)	**274,908**	**240,386**	**221,973**	**225,341**	**496,881**	**465,727**
Liabilities						
France	53,875	42,443	90,582	87,104	144,457	129,547
Other European Economic Area countries	84,622	78,012	74,172	60,876	158,794	138,888
America and Asia	50,633	55,602	40,113	41,648	90,746	97,250
Other countries	2,124	1,848	5,754	5,941	7,878	7,789
Total liabilities (notes 14 and 15)	**191,254**	**177,905**	**210,621**	**195,569**	**401,875**	**373,474**

NOTE 40 – CORPORATE INCOME TAX

In millions of euros	2003	2002	2001
Current taxes for the period	1,579	1,058	1,621
Deferred taxes for the period	(98)	117	196
Income tax expense	**1,481**	**1,175**	**1,817**
– on recurring items	1,524	1,210	1,847
– on non-recurring items	(43)	(35)	(30)

A new tax regime has been introduced in the 2003 Finance Act. This regime allows listed real estate investment companies (SIIC) to claim full exemption from corporate income tax on disposal gains and recurring profits generated by their eligible businesses, in exchange for the payment of an exit tax equal to 16.5% of unrealised gains on assets eligible at 1 January 2003. The Klépierre group has elected for this regime, and in 2003 the Group recorded a EUR 104 million provision for the related taxes.

The income tax charge for the year ended 31 December 2003 is stated net of EUR 158 million in reversals of provisions for tax risks that are no longer required following the application, by the French tax authorities, of the case law established by a Conseil d'Etat ruling concerning Article 209 B of the General Tax Code. In addition, taxes payable by the Group in France were adjusted by EUR 136 million through the recording of a provision for deferred taxes in respect of tax losses generated in prior years by "Economic Interest Groupings" owned by certain companies in the BNP Paribas tax group.

Tax savings realised by the Group in 2003 from the recognition of tax loss carryforwards or the deduction of expenses accounted for in prior years amounted to EUR 51 million (EUR 40 million in 2002 and EUR 209 million in 2001). Unrecognised deferred tax assets at 31 December 2003 amounted to EUR 370 million (EUR 321 million at 31 December 2002 and EUR 334 million at 31 December 2001).

Analysis of the effective rate of tax:

In %	2003	2002	2001
Standard tax rate in France	33.3	33.3	33.3
Impact of long-term capital gains taxed at a reduced rate in France	(1.4)	(0.6)	(2.2)
Share of earnings of companies carried under the equity method	(0.8)	(0.6)	(1.2)
Permanent differences added back to taxable income in France	(2.0)	(3.1)	(1.8)
Differences in foreign tax rates	(6.8)	(8.0)	(4.1)
Effect of losses deducted from net income	3.3	2.9	2.5
Other	0.9	0.5	2.7
Effective rate of tax	**26.5**	**24.4**	**29.2**

Deferred taxes break down as follows:

In millions of euros, at 31 December	2003			2002	2001
	Companies included in the tax group (note 2)	Other companies	Total	Total	Total
Deferred tax assets (1)	1,188	762	1,950	1,664	1,758
Deferred tax liabilities	1,431	1,083	2,514	2,374	2,460
Net deferred tax liabilities	**243**	**321**	**564**	**710**	**702**

- (1) Deferred tax assets include tax loss carryforwards of EUR 156 million in 2003 (EUR 134 million in 2002 and EUR 100 million in 2001).

The deferred tax liability on the capital gain realised on BNP's transfer to its subsidiary Compagnie Immobilière de France of buildings and rights to real estate leasing contracts amounted to EUR 196 million at 31 December 2003.

NOTE 41 – BNP PARIBAS MERGER-RELATED RESTRUCTURING COSTS

In connection with the merger of BNP and Paribas, on 30 September 1999 – the date on which the Paribas Group was first consolidated – provisions and asset write-downs were recorded in connection with the restructuring of the two groups, for a total amount of EUR 989 million net of tax.

The following table presents an analysis of merger-related restructuring costs incurred since 1 October 1999.

In millions of euros	Restructuring provision	Amortisation of goodwill	Tax effect	Total restructuring charge, net of tax
Fourth quarter 1999	(59)	(183)	33	(209)
2000	(330)	-	101	(229)
2001	(501)	-	163	(338)
2002	(143)	-	45	(98)
2003	(98)		34	(64)

NOTE 42 – NUMBER OF EMPLOYEES AT YEAR-END

The number of employees of the BNP Paribas Group (fully and proportionately consolidated companies) breaks down as follows:

	31/12/2003	31/12/2002	31/12/2001
BNP Paribas mainland France	37,200	37,335	37,545
including executives	*14,066*	*13,368*	*12,648*
Subsidiaries in mainland France	13,844	14,065	13,051
Total mainland France	51,044	51,400	50,596
Total outside mainland France	38,027	36,285	34,598
Total BNP Paribas Group	**89,071**	**87,685**	**85,194**
BNP Paribas SA	44,060	44,908	45,870
Subsidiaries	45,011	42,777	39,324

CAPITALISATION OF THE GROUP

Except as set forth in this section, there has been no material change in the capitalisation of the Bank since December 31, 2003.

The following table sets forth the consolidated capitalisation of the Bank as at December 31, 2003 and December 31, 2002.

	As of December 31, 2003	As of December 31, 2002
	(in millions of euros)	
Medium- and Long-Term Debt of which the unexpired term to maturity is more than one year [1]		
Medium- and long-term debt denominated in foreign currency	567	572
Medium- and long-term debt denominated in Euros	8,760	9,623
Intercompany eliminations on medium- and long-term senior debt	-447	-281
Medium- and long-term subordinated foreign currency debt	4,088	4,077
Medium- and long-term subordinated Euro debt	6,272	6,706
Negotiable certificates of deposit	19,131	15,987
Total Medium- and Long-Term Debt	**38,371**	**36,684**
Shareholders' Equity and Equivalents		
Issued capital[2]	1,806	1,790
Capital surplus	11,017	10,804
Retained earnings[3]	13,879	12,432
Revaluation surplus[4]	19	19
Capital surplus on real estate restructuring[5]	355	358
Undated participating subordinated notes[6]	312	343
Undated subordinated FRNs[7]	1,409	1,783
Total Shareholders' Equity and Equivalents	**28,797**	**27,529**
Minority interest [8]	4,723	4,255
Reserve for general banking risks	843	997
Total Capitalisation	**72,734**	**69,465**

Notes:

On February 20, 2002, BNP Paribas effected a two-for-one stock split.

(1) Medium- and long-term debt does not include the following items: interbank items, money market securities, customer term deposits and retail certificates of deposits. All medium- and long-term senior debt of BNP Paribas, denominated both in Euros and other currencies, ranks equally with deposits. The subordinated debt of BNP Paribas is subordinated to all other debt with the exception of undated participating subordinated notes (*titres participatifs*).

BNP Paribas and its subsidiaries issue medium- to long-term debt on a continuous basis, particularly through private placements in France and abroad.

Between January 1, 2004 and March 31, 2004, BNP Paribas issued the following medium- and long-term debt (for convenience, totals have been rounded to the nearest decimal where appropriate):

- Euro 1,586.8 million equivalent raised through private placements pursuant to its Euro Medium Term Note Programme;
- Euro 2.6 million equivalent raised through private placements pursuant to its US Medium Term Note Program; and
- Euro 174 million raised pursuant to its program for the issuance of medium-term notes in France *(bons à moyen terme négociables)*.

Euro against foreign currency – as of December 2003: CAD: 1.6271; GBP: 0.7049; CHF: 1.5593; HKD: 9.7596; JPY: 134.9856; USD: 1.2572; as of March 2004: CAD: 1.6124; GBP: 0.6671; CHF: 1.5589; HKD: 9.5587; JPY: 128.4575; USD: 1.2302.

(2) Increase in the number of shares outstanding since December 31, 2003 occurred as a result of the issuance of 443,989 new shares under the Group's stock option plans. BNP Paribas' share capital was modified on January 28, 2004. It stands at €1,807,231,208, divided into 903,615,604 common shares with a par value of €2 per share, all fully paid.

(3) After deduction at cost of 27,984,453 BNP Paribas shares held by BNP Paribas as at December 31, 2002 and of 44,818,443 BNP Paribas shares as at December 31, 2003. Between January 1, 2004 and March 31, 2004, BNP Paribas SA purchased a net number of 13,203,514 BNP Paribas shares.

(4) Only applicable to French companies that carried out the revaluation of their assets in accordance with French accounting standards.

(5) The item "Capital surplus on real estate restructuring" concerns a restructuring transaction in 1991 and 1992 whereby BNP transferred its real estate holdings to its subsidiary Compagnie Immobilière de France ("CIF"). The resulting capital gain is recognized on the consolidated income statement in proportion to the additional depreciation charge taken by CIF. This item was written down as at December 31, 1997 by €420 million, to reflect a decline in the real estate market that was then considered to be lasting.

(6) Pursuant to the French Law of January 3, 1983, BNP issued a first block of 1,800,000 undated participating subordinated notes (*titres participatifs*) with a par value of FF 1,000, for a total of €274 million, in July 1984. Subscription rights to new undated participating subordinated notes were attached to each of these notes. In respect of rights exercised between July 1 and July 30, 1985, 1986, 1987, and 1988, BNP issued a total of 412,761 new undated participating subordinated notes with a face value of FF 1,000 and received an issue premium of €4 million. These notes are redeemable only in the event of a liquidation of BNP Paribas but may be redeemed in accordance with the terms of the Law.

(7) In October 1985, BNP issued €305 million of undated floating-rate subordinated notes (*titres subordonnés à durée indéterminée*, or TSDI). These notes are redeemable only in the event of liquidation of the Bank. They are subordinated to all of the Bank's other debts but senior to the undated participating subordinated notes issued by BNP Paribas. The Board of Directors is entitled to postpone the interest payments on these securities if the stockholders' meeting approving the financial statements declares that there is no income available for distribution. In September 1986, BNP raised a further $500 million by issuing new undated floating-rate subordinated notes with characteristics similar to those of the French franc notes issued in 1985. In 1996, 1997, and the first half of 1998, BNP issued undated floating-rate subordinated notes that may be called at the issuer's discretion, starting from a date specified in the issuing agreement and contingent upon the consent of the *Commission Bancaire*.

(8) In December 1997, BNP US Funding LLC, a wholly-owned subsidiary of BNP Paribas, made a $500 million issue of noncumulative preferred securities, which do not dilute earnings per ordinary share. They pay a contractual dividend of 7.738% for a period of ten years. Thereafter, the issuer may redeem the securities at par on each dividend payment date and until redeemed the securities will pay a dividend indexed to LIBOR.

In October 2000, BNP Paribas Capital Preferred LLC, a wholly-owned subsidiary of BNP Paribas, made a new $500 million issue of noncumulative preferred securities, via BNP Paribas Capital Trust. They pay a contractual dividend of 9.003% for a period of ten years. Thereafter, the issuer may redeem the securities at par on each dividend payment date and until redeemed the securities will pay a dividend indexed to LIBOR.

In October 2001, BNP Paribas Capital Preferred II LLC, a wholly-owned subsidiary of BNP Paribas, made a new €350 million issue of noncumulative preferred securities, via BNP Paribas Capital Trust II. They pay a contractual dividend of 7.00%. As from October 5, 2006, the issuer may redeem the securities at par on each dividend payment date.

In October 2001, BNP Paribas Capital Preferred III LLC, a wholly-owned subsidiary of BNP Paribas, made a new €500 million issue of noncumulative preferred securities, via BNP Paribas Capital Trust III. They pay a contractual dividend of 6.625% for a period of ten years. Thereafter, the issuer may redeem the securities at par on each dividend payment date and until redeemed the securities will pay a dividend indexed to three-month EURIBOR.

In January 2002, BNP Paribas Capital Preferred IV LLC, a wholly owned subsidiary of BNP Paribas, made a new €660 million issue of noncumulative preferred securities, via BNP Paribas Capital Trust IV. They pay a contractual dividend of 6.342% for a period of 10 years. Thereafter, the issuer may redeem the securities at par on each dividend payment date and until redeemed the securities will pay a dividend indexed to three-month EURIBOR.

In June 2002, BNP Paribas Capital Preferred V LLC, a wholly-owned subsidiary of BNP Paribas, made a new $650 million issue of noncumulative preferred securities, via BNP Paribas Capital Trust V. They pay a contractual dividend of 7.20%. As from June 30, 2007, the issuer may redeem the securities at par on each dividend payment date.

In January 2003, BNP Paribas Capital Preferred VI LLC, a wholly owned subsidiary of BNP Paribas, made a new €700 million issue of noncumulative preferred securities, via BNP Paribas Capital Trust VI. They pay a contractual dividend of 5.868% for a period of 10 years. Thereafter, the issuer may redeem the securities at par on each dividend payment date and until redeemed the securities will pay a dividend indexed to three-month EURIBOR.

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2003

Barbier Frinault & Autres
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This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. The statutory auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the consolidated financial statements. This information includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.
This report, together with the statutory auditors' report addressing financial and accounting information in the Chairman's report an internal control, should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders
BNP Paribas
16, boulevard des Italiens
75009 Paris

As the Statutory Auditors appointed by the General Shareholders' Meeting, we have audited the accompanying consolidated financial statements of BNP Paribas, presented in euros, for the year ended 31 December 2003.

These consolidated financial statements have been approved by the Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made in the preparation of the financial statements, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly the consolidated financial position of BNP Paribas and its subsidiaries at 31 December 2003 and the consolidated results of operations for the year then ended, in accordance with the accounting rules and principles applicable in France.

Without qualifying our opinion, we draw your attention to Note 1 to the consolidated financial statements which describes the changes in accounting methods resulting from the application of *Comité de la Réglementation Comptable* standard CRC 2002-03 relating to accounting for credit risks and standard CRC 2002-10 relating to depreciation and amortisation of assets.

Justification of our assessments

In accordance with the requirements of article L. 225-235 of the Commercial Code relating to the justification of our assessments, which came into effect for the first time this year, we draw your attention to the following matters:

For all companies carrying out banking activities, significant accounting estimates are required for provisioning credit risk, and for determining the fair value of financial instruments, investments in non-consolidated undertakings, other participating interests and equity securities held for long-term investment.

- BNP Paribas records provisions to cover the credit risks inherent to its business (notes 1, 4, 8 and 19 to the consolidated financial statements). As part of our assessment of these estimates, we examined the control procedures applicable for monitoring credit risks, assessing irrecoverability risks and determining the related specific and general provisions;
- BNP Paribas uses internal models to value its positions on financial instruments which are not listed on organised exchanges (note 1 to the consolidated financial statements). As part of our assessment of these estimates, we examined the control procedures applicable to the verification of these models and the determination of the parameters used;
- investments in non-consolidated undertakings, other participating interests and equity securities held for long-term investment are recorded at the lower of cost and fair value. Fair value is determined based on available information using a multi-criteria approach (note 1 to the consolidated financial statements). As part of our assessment of these estimates, we examined the data used to determine fair value for the main items within these portfolios.

At 31 December 2003, BNP Paribas recorded a provision to cover the consequences of the French Pensions Reform Act (Act no. 2003-775) dated 21 August 2003 relating to the benefits due on retirement (note 38 to the consolidated financial statements). As part of our assessment of this estimate, we examined the assumptions applied and calculation methods used. We also examined whether the accounting treatment applied is in accordance with the options set out by the *Comité d'Urgence du Conseil National de la Comptabilité* (French National Accounting Board Urgent issues Taskforce) on 21 January 2004.

We assessed whether these estimates were reasonable.

Our assessments on these matters were made in the context of the performance of our audit of the consolidated financial statements taken as a whole and therefore contributed to expressing our opinion set out in the first part of this report.

Specific verification

In accordance with professional standards applicable in France, we have also verified the information given in the group management report. We have no matters to report with regard to its fair presentation and conformity with the consolidated financial statements.

Neuilly-sur-Seine, Paris and La Défense, 16 March 2004

The Statutory Auditors

Barbier Frinault & Autres Ernst & Young	PricewaterhouseCoopers Audit	Mazars & Guérard Mazars
Christian Chiarasini	Radwan Hoteit	Etienne Boris	Hervé Hélias

2003 REVIEW OF OPERATIONS

Activity

CONSOLIDATED RESULTS OF THE BNP PARIBAS GROUP

For the year ended 31 December 2003, in an environment that was improving but still difficult in Europe, the Group posted significantly higher operating performances despite the adverse effects of the weaker dollar:

- Gross operating income: EUR 6,650 million (up 13.9%)
- Operating income (after net additions to provisions): EUR 5,289 million (up 21.1%)
- Net income group share: EUR 3,761 million (up 14.1%) despite a substantial decline in the contribution of non-operating items (EUR 297 million compared to EUR 445 million in 2002)
- Return on equity after tax: 14.3%.

Each of the Group's leading core businesses contributed to this performance:

- Thanks to the very good results of its two business lines, Retail Banking again enjoyed sustained growth in volume and income.
- Capitalising on the recovery of equity markets, Asset Management and Services saw a significant rebound starting in the second quarter of the year.
- Corporate and Investment Banking posted very good results and matched its highest level of profitability to date, achieved in 2000.

Allocation of capital

Revenue from the capital allocated to each division is included in the division's profit and loss account. The capital allocated to each division corresponds to the amount required to comply with international capital adequacy ratios and is based on 6% of risk-weighted assets. The capital allocated to the Asset Management and Services division is equal to 0.25% of assets under management. The capital allocated to the Private Equity business corresponds to a certain percentage of the net book value of investments. The percentage varies depending on the investment and is designed to reflect the actual risk. Capital allocated to the Insurance business corresponds to 100% of the solvency margin as determined according to insurance regulations (100% in 2002 and 75% in 2001).

OPERATING PERFORMANCES UP SHARPLY

The business and financial environment remained difficult in 2003, despite some signs of improvement. The stock market crisis peaked at the end of the first quarter of the year. Economic growth, still very weak in Europe, rebounded sharply in the United States and in Asia, but the continued decline in the dollar significantly cut the profits that European companies made in these regions.

In this mixed environment, BNP Paribas Group's net banking income rose 6.8% (up 9.7% at constant scope and exchange rates) [1] totalling EUR 17,935 million and gross operating income rose 13.9% to EUR 6,650 million (up 18.7% at constant scope and exchange rates). The cost/income ratio improved by 2.3 points, falling from 65.2% to 62.9%.

Despite setting aside a total of over EUR 200 million in new general provisions, total provisions fell 7.4%, to EUR 1,361 million. Operating income soared 21.1% to EUR 5,289 million.

Non-operating items contributed EUR 297 million, down 33.3% compared to 2002. Capital gains generated on the Group's equity portfolio, were stable, at EUR 912 million (up 1.0%); amortisation of goodwill rose 9.0% to EUR 399 million; however, non-recurring expenses expanded EUR 175 million to EUR 347 million as the requirements of the new French pensions law led to the booking of a one-time EUR 229 million provision for employee-related commitments (or EUR 148 million after tax), while there was a (non-taxable) EUR 148 million write-back from the Reserve for General Banking Risks. The Group also set aside EUR 70 million in provisions to put in place measures to facilitate employees' professional reorientation covering 2004 and 2005, in accordance with its policy of forward-looking workforce management.

The tax charge rose 26.0% to EUR 1,481 million, due in particular to an exceptional EUR 125 million tax charge in connection with Klépierre's new tax status as a listed real-estate investment company. The corresponding EUR59 million reduction in minority interests left their share stable at EUR 344 million (+0.3%).

Net income group share, at EUR 3,761 million, was up 14.1%, generating a 14.3% return on equity, after tax.

BNP Paribas was widely recognised in 2003 for its constant commitment to sustainable development. Thus, the Bank's social responsibility rating was upgraded by the leading social rating agencies. For example, SAM, which selects the companies included in the DJ SI World and DJ SI Stoxx indexes, ranked BNP Paribas fifth among all banks world-wide (up from eighth in 2002). In addition, BNP Paribas has joined the Global Compact programme launched by the United Nations Secretary-General.

[1] The main changes in scope involved the consolidation of Facet and United California Bank (IRFS core business), Consors and Cogent (AMS core business).

In millions of euros	Retail Banking	Asset Mgt & Services	Corp. & Inv. Bkg	BNP Paribas Capital	Other activities	Group 2003	Group 2002	Change 2003/2002	At constant scope and exchange rates
Net Banking Income	**9,636**	**2,476**	**5,818**	**-34**	**39**	**17,935**	**16,793**	**+6.8%**	**+9.7%**
Operating Expenses and Dep.	-6,011	-1,673	-3,384	-39	-178	-11,285	-10,955	+3.0%	+4.9%
Gross Operating Income	**3,625**	**803**	**2,434**	**-73**	**-139**	**6,650**	**5,838**	**+13.9%**	**+18.7%**
Provisions*	-754	-16	-633	-3	45	-1,361	-1,470	-7.4%	
Operating Income	**2,871**	**787**	**1,801**	**-76**	**-94**	**5,289**	**4,368**	**+21.1%**	
Associated Companies	79	29	3	0	20	131	80	+63.8%	
Capital Gains	13	8	105	584	202	912	903	+1.0%	
Goodwill	-289	-74	-17	-12	-7	-399	-366	+9.0%	
Other Items	-26	-27	-13	0	-281	-347	-172	+101.7%	
Pre-tax Income	**2,648**	**723**	**1,879**	**496**	**-160**	**5,586**	**4,813**	**+16.1%**	
Minority Interests	-49	0	-5	-5	-285	-344	-343	+0.3%	
Tax Expense						-1,481	-1,175	+26.0%	
Net Income, Group Share						**3,761**	**3,295**	**+14.1%**	
Cost / Income Ratio						62.9%	65.2%		
ROE after Tax						14.3%	13.5%		

* EUR 250 million general provision set aside in Europe during the first nine months of 2003 and use in the fourth quarter of 2003 of USD 21 million from the USD 90 million general provision for US risks booked in 1999.

RESULTS OF THE CORE BUSINESSES

Each of the three business lines contributed to Group performance:

1 – Retail Banking

In millions of euros	2003	2002	Change 2003 / 2002	At constant scope and exchange rates
Net Banking Income	**9,636**	**9,466**	**+1.8%**	**+3.1%**
Operating Expenses and Dep.	-6,011	-6,036	-0.4%	+1.6%
Gross Operating Income	**3,625**	**3,430**	**+5.7%**	**+5.6%**
Provisions	-754	-720	+4.7%	
Operating Income	**2,871**	**2,710**	**+5.9%**	
Amortisation of Goodwill	-289	-270	+7.0%	
Other Non operating Items	66	51	+29.4%	
Pre-tax Income	**2,648**	**2,491**	**+6.3%**	
Cost / Income Ratio	62.4%	63.8%	-1.4 pt	
Allocated Equity (EUR bn)	9.4	9.6	-2.4%	
Pre-tax ROE	28%	26%		

In 2003, Retail Banking's operations continued to expand and to enhance their profitability. Gross operating income rose 5.7% to EUR 3,625 million. Pre-tax income was up 6.3%, to EUR 2,648 million. Pre-tax return on equity increased 2 points to 28%.

French Retail Banking

In millions of euros	2003	2002	Change 2003 / 2002
Net Banking Income	**4,884**	**4,740**	**+3.0%**
Incl. Fees and Commissions	*2,053*	*2,000*	*+2.7%*
Incl. Interest Margin	*2,831*	*2,740*	*+3.3%*
Operating Expenses and Dep.	-3,355	-3,272	+2.5%
Gross operating Income	**1,529**	**1,468**	**+4.2%**
Provisions	-225	-198	+13.6%
Operating Income	**1,304**	**1,270**	**+2.7%**
Non operating Items	-2	0	n.m.
Pre-tax Income	**1,302**	**1,270**	**+2.5%**
Income Attributable to AMS	-62	-63	-1.6%
Pre-tax Income of French Retail Bkg	**1,240**	**1,207**	**+2.7%**
Cost / Income Ratio	68.7%	69.0%	-0.3 pt
Allocated Equity (EUR bn)	4.5	4.7	-4.4%
Pre-tax ROE	27%	25%	

Including 100% of the French Private Banking from net banking income to Pre-tax Income lines

Net banking income of the French Retail Banking branch network[2] totalled EUR 4,884 million, up 3.0%. Net interest revenue was up 3.3%, driven by the combined effect of a rise in the gross interest margin (from 3.54% to 3.74% between 2002 and 2003), a slight contraction of outstanding loans (-1.7%) and growth in deposits (+3.5%), fuelled by savings accounts (+15.6%). The amount of fees rose 2.7%, as lower revenues on securities transactions were more than offset by the expansion of other services (payment instruments, banking services, etc.).

The sales drive targeting individual customers gathered pace. In 2003, the number of cheque and current accounts grew by over 120,000. Multi-Channel Banking logged 32 million contacts initiated on the Internet (+30%), 20 million incoming calls on its interactive voice server (+21%) and 4.8 million incoming calls at the customer relationship centres (+52%). In the branches, the new workstation, which is the same as the one used in customer relationship centres, allowed 41 million consultations of customer files. Outstanding loans rose 9.3%, in particular due to a sharp rise in new mortgages. Life insurance assets under management rose 9.9% during the year and mutual fund assets under management rose 12.4%.

For corporate customers, whose demand for business loans was weak in the economic context of 2003 (outstanding loans: -9.6%), the French network significantly grew sales of financial products and services in conjunction with Corporate and Investment Banking: structured financing, bond issues, leveraged acquisition financing, hedging and forex products. BNP Paribas Asset Management expanded the range of mutual funds for corporate customers, enabling placement of such funds through the French network to rise by EUR 1.4 billion. Similarly, the network took steps to grow sales of the products and services of the speciality subsidiaries, in particular Arval PHH, Arius, and Factor.

The moderate rise in operating expenses and depreciation (+2.5% compared to the previous year) resulted in a 4.2% rise in the gross operating income, to EUR 1,529 million. At 68.7%, the cost/income ratio improved by 0.3 point.

Provisions, totalling EUR 225 million (+13.6), remained moderate as they amounted to 0.32% of outstanding weighted assets for the year.

After sharing French Private Banking's income with AMS, French Retail Banking posted EUR 1,240 million in annual pre-tax income, up 2.7%.

Pre-tax return on equity edged up two points to 27%.

[2] Including 100% of Private Banking in France.

International Retail Banking and Financial Services (IRFS)

In millions of euros	2003	2002	Change 2003 / 2002	At constant scope and exchange rates
Net Banking Income	**4,903**	**4,878**	**+0.5%**	**+4.0%**
Operating Expenses and Dep.	-2,745	-2,853	-3.8%	+1.2%
Gross Operating Income	**2,158**	**2,025**	**+6.6%**	**+7.9%**
Provisions	-529	-522	+1.3%	
Operating Income	**1,629**	**1,503**	**+8.4%**	
Amortisation of Goodwill	-289	-270	+7.0%	
Other Non Operating Items	68	51	+33.3%	
Pre-Tax Income	**1,408**	**1,284**	**+9.7%**	
Cost / Income Ratio	56.0%	58.5%	-2.5 pt	
Allocated Equity (Ebn)	4.8	4.9	-0.5%	
Pre-Tax ROE	29%	26%		

The IRFS core business combines: Bancwest, emerging and overseas markets (formerly IRB core business); Cetelem, BNP Paribas Lease Group, UCB and Arval PHH (formerly RFS core business, except Cortal Consors; historical data have been restated).

Given the relative weight of BancWest and, to a lesser degree, of other operations conducted outside the Eurozone, this core business was particularly hard hit by the exchange rate effects. Net banking income (EUR 4,903 million) was virtually unchanged (+0.5%) compared to 2002 while it was up 4.0% at constant scope and exchange rates. Similarly, operating expenses and depreciation, at EUR 2,745 million, were down 3.8%, but up 1.2% at constant scope and exchange rates. Gross operating income (EUR 2,158 million) thus rose 6.6% (+7.9% at constant scope and exchange rates) and the cost/income ratio improved by 2.5 points at 56.0%, in line with the target the Bank had announced.

Provisions were virtually unchanged at EUR 529 million (+1.3%). The same applies to non-operating items. Pre-tax income came to EUR 1,408 million, rising by a substantial 9.7% compared to the previous year and pre-tax return on equity rose three points to 29%.

BancWest's lending business performed well in 2003, especially in the consumer lending segment in which outstanding loans grew 21.3%. Gross interest margin fell 41 basis points during the year, to 4.18%, due to lower interest rates. The full effect of synergies achieved following the merger between United California Bank and Bank of the West helped reduce operating expenses and depreciation by 4.3%, at constant scope and exchange rates, compared to 2002. Lastly, provisions were also reduced and the ratio of non-performing loans to total outstanding loans fell to 0.59% as at 31 December 2003 compared to 1.01% as at 31 December 2002. Operating income rose 11.8% at constant scope and exchange rates.

Retail Banking's business activities in emerging and overseas markets held up well under difficult operating conditions in several countries (in particular the Ivory Coast). Provisions were lower than their 2002 level.

Cetelem continued its resilient growth in France, buoyed by Facet's good momentum, and abroad. Outstanding loans rose a total of 4.3% during the year, and 18.6% abroad, especially in Southern and Eastern Europe. Cetelem is a leading consumer lender in Italy, Spain, Portugal, Hungary and the Czech Republic. Its pre-tax income rose 12.1%.

UCB reported a very sharp rise in new loans both in France (+23%) and abroad (+33%). Outstanding loans to individuals totalled EUR 15.7 billion as at 31 December 2003 (+9.4%). Furthermore, systematically promoting French Retail Banking's services contributed to the opening of 10,000 new accounts. Arval PHH continued to pursue its rapid expansion in Continental Europe and BNP Paribas Lease Group made further inroads into international markets, based on partnership alliances. As leaders in their European markets, both of these companies made a significant contribution to growing the profitability of the core business.

The specialised financial services companies now generate a very large portion of their new loans outside of France – 51% for Cetelem, 52% for UCB; 32% for BNP Paribas Lease Group and 67% for Arval PHH in 2003.

In millions of euros	Cetelem	BNP Paribas Lease Group	UCB	Long Term Leasing with Services	Other	Total FS
Gross Operating Income	**754**	**195**	**128**	**133**	**-39**	**1,171**
Change % 2003/2002	27.8%	-6.3%	20.8%	17.7%	nm	21.2%
Pre-Tax Income	**427**	**124**	**153**	**57**	**-80**	**681**
Change % 2003/2002	12.1%	-5.3%	6.3%	x7.1	nm	16.8%

International Retail Banking

In millions of euros	2003	2002	Change 2003 / 2002	At constant scope and exchange rates
Net Banking Income	**2,174**	**2,379**	**-8.6%**	**=**
Operating Expenses and Dep.	-1,187	-1,320	-10.1%	-1.3%
Gross Operating Income	**987**	**1,059**	**-6.8%**	**+1.6%**
Provisions	-104	-151	-31.1%	
Operating Income	**883**	**908**	**-2.8%**	
Amortisation of Goodwill	-149	-168	-11.3%	
Other Non operating Items	-7	-39	-82.1%	
Pre-tax Income	**727**	**701**	**+3.7%**	
Cost / Income Ratio	54.6%	55.5%	-0.9 pt	
Allocated Equity (EUR bn)	2.0	2.1	-6.3%	
Pre-tax ROE	37%	34%		

Financial Services

In millions of euros	2003	2002	Change 2003 / 2002	At constant scope and exchange rates
Net Banking Income	**2,729**	**2,499**	**+9.2%**	**+7.5%**
Operating Expenses and Dep.	-1,558	-1,533	+1.6%	+3.2%
Gross Operating Income	**1,171**	**966**	**+21.2%**	**+14.3%**
Provisions	-425	-371	+14.6%	
Operating Income	**746**	**595**	**+25.4%**	
Amortisation of Goodwill	-140	-102	+37.3%	
Other Non operating Items	75	90	-16.7%	
Pre-tax Income	**681**	**583**	**+16.8%**	
Cost / Income Ratio	57.1%	61.3%	-4.2 pt	
Allocated Equity (EUR bn)	2.9	2.8	+3.9%	
Pre-tax ROE	24%	21%		

2 - Asset Management and Services (AMS)

In millions of euros	Wealth and Asset Mgt	Insurance	Securities Services	Total	Total At constant scope and exchange rates
Net Banking Income	**1,143**	**733**	**600**	**2,476**	
2002	1,073	674	545	2,292	
Change/2002	+6.5%	+8.8%	+10.1%	+8.0%	-1.0%
Operating Expenses and Dep.	**-845**	**-352**	**-476**	**-1,673**	
2002	-795	-342	-363	-1,500	
Change/2002	+6.3%	+2.9%	+31.1%	+11.5%	-2.1%
Gross Operating Income	**298**	**381**	**124**	**803**	
2002	278	332	182	792	
Change/2002	+7.2%	+14.8%	-31.9%	+1.4%	+1.0%
Provisions	**-12**	**-4**	**0**	**-16**	
2002	-13	5	0	-8	
Change/2002	n.m.	n.m.	n.m.	n.m.	
Operating Income	**286**	**377**	**124**	**787**	
2002	265	337	182	784	
Change/2002	+7.9%	+11.9%	-31.9%	+0.4%	
Amortisation of Goodwill	**-37**	**-13**	**-24**	**-74**	
2002	-21	-10	-12	-43	
Change/2002	+76.2%	+30.0%	x2	+72.1%	
Other Non operating Items	**1**	**27**	**-18**	**10**	
2002	-36	25	57	46	
Change/2002	n.m.	+8.0%	n.m.	-78.3%	
Pre-tax Income	**250**	**391**	**82**	**723**	
2002	208	352	227	787	
Change/2002	+20.2%	+11.1%	-63.9%	-8.1%	
Cost / Income Ratio	**73.9%**	**48.0%**	**79.3%**	**67.6%**	
2002	74.1%	50.7%	66.6%	65.4%	
Allocated Equity (EUR bn)	**0.9**	**1.8**	**0.3**	**3.0**	
2002	0.8	1.7	0.4	2.9	
Change/2002	+2.7%	+10.5%	-19.7%	+4.1%	

Henceforth, AMS includes Cortal Consors' results. The historical data have been restated. Consors and Cogent have been fully consolidated since 1January 2003.

Having been impacted at the beginning of the year by the accelerating fall in stock market prices, which came to a head at the end of March, AMS experienced a sharp rebound, which was confirmed in the fourth quarter with quarterly pre-tax income up 31.0% (+17.9% at constant scope and exchange rates) compared to the fourth quarter of 2002.

Over the whole year, AMS's net banking income rose 8.0% to EUR 2,476 million. This trend was largely the result of external growth, with the full consolidation of Consors and Cogent in 2003. For the same reason, operating expenses and depreciation rose 11.5% to EUR 1,673 million. At constant scope and exchange rates, net banking income of the business slid 1%, while, in line with the target the Group had announced, operating expenses and depreciation declined 2.1%. Gross operating income thus edged up slightly (+1.4%) to EUR 803 million (+1.0% at constant scope and exchange rates).

During the year, total assets under the Group's management rose to EUR 276 billion, thanks to a net total of EUR 11.1 billion in new money. The alternative management product range was expanded. BNP Paribas Asset Management is the leading French company in terms of socially responsible investments with EUR 1 billion of assets under management (source: *Europerformance*). Private Banking significantly grew its sales of structured products and cut its costs. Cortal Consors capitalised on merger synergies, achieved ahead of schedule, and the recovery of stock market activities, especially in Germany, reaching breakeven in 2003. Named "Best Online Broker" in Germany (source: *Discountbroker.de*) and in Spain (source: *La gaceta de los negocios*), Cortal Consors is Europe's leading online broker, formed out of an exemplary cr oss-border merger of equals. Wealth & Asset Management thus grew its gross operating income 7.2% to EUR 298 million.

The Insurance business continued to pursue its global expansion with the signing of new distribution agreements abroad and a partnership with Russian Standard Bank to set up a life insurance company in Russia. Inflows of new money were very satisfactory in France, where unit-linked policies account for 30% of insurance products, a far higher proportion than the market average of 16% (source: *FFSA*). Gross operating income rose 14.8% to EUR 381 million.

Assets held in custody by Securities Services rose 15% year-on-year, surpassing the record level of EUR 2,000 billion. The publication *Global Custodian* ranked BNP Paribas the third global custodian for service quality. However, pressure on clearing and custody margins was heightened since the stock market crisis in 2002 and direct services to investors, a future source of growth, which the Group strengthened by the acquisition of Cogent, are only gradually producing an impact on the accounts. Gross operating income totalled EUR 124 million, 31.9% lower than in 2002.

3 - Corporate and Investment Banking (CIB)

In millions of euros	Advisory and Capital Markets	Financing Businesses	Total	Total At constant scope and exchange rates
Net Banking Income*	**3,835**	**1,983**	**5,818**	
2002	2,965	2,181	5,146	
Change/2002	+29.3%	-9.1%	+13.1%	+23.8%
Operating Expenses and Dep.	**-2,407**	**-977**	**-3,384**	
2002	-2,245	-1,026	-3,271	
Change/2002	+7.2%	-4.8%	+3.5%	+12.6%
Gross Operating Income	**1,428**	**1,006**	**2,434**	
2002	720	1,155	1,875	
Change/2002	+98.3%	-12.9%	+29.8%	+43.7%
Provisions* *	**0**	**-633**	**-633**	
2002	10	-725	-715	
Change/2002	n.m.	-12.7%	-11.5%	
Operating Income	**1,428**	**373**	**1,801**	
2002	730	430	1,160	
Change/2002	+95.6%	-13.3%	+55.3%	
Non operating Items* * *	**102**	**-24**	**78**	
2002	4	22	26	
Change/2002	n.m.	n.m.	n.m.	
Pre-tax Income	**1,530**	**349**	**1,879**	
2002	734	452	1,186	
Change/2002	+108.4%	-22.8%	+58.4%	
Cost / Income Ratio	**62.8%**	**49.3%**	**58.2%**	
2002	75.7%	47.0%	63.6%	
Change/2002	-12.9 pt	+2.3 pt	-5.4 pt	
Allocated Equity (EUR bn)	**2.7**	**4.3**	**6.9**	
2002	3.3	4.6	7.9	
Change/2002	-20.0%	-6.6%	-12.2%	
Pre-tax ROE			**27%**	
2002			15%	

* Comprising revenues from trading that include trading on behalf of clients and related revenues, for a total of EUR 3,456 million in 2003 versus EUR 2,550 million in 2002 (+35.5%).

* * EUR 235 million general provision set aside in Europe during the first nine months of 2003 and use in the fourth quarter of 2003 of USD 21 million from the USD 90 million general provision for US risks set aside in 1999.

* * * non-recurring capital gains in the third quarter of 2003, stemming from the disposal of a corporate bond portfolio

In 2003, Corporate and Investment Banking matched its highest levels of profitability that it had achieved in 2000. Net banking income grew 13.1% to EUR 5,818 million (+23.8% at constant scope and exchange rates).

Revenues from the Advisory and Capital Markets business jumped sharply (+29.3%). All the business lines contributed to this performance: fixed income, equity, and corporate finance. The business received numerous awards, namely the "Euro Investment Grade Corporate Bond House of the Year" (*IFR*), "Equity Derivatives House of the Year" (*Risk Magazine*); and BNP Paribas Peregrine was named "Best Mid-Cap Equity House of the Year (*IFR Asia*). The rankings of the bookrunners of financial transactions in Europe clearly reflected BNP Paribas' progress in 2003: the bank now ranks among the top five for all eurobond issues (source: *IFR*) and in the top ten for share and convertible bond issues in Europe (sources: *Dealogic, IFR*) .

The financing businesses posted a 9.1% decline in net banking income due to sluggish demand in Europe. They did however achieve remarkable commercial successes and they too received multiple awards such as "European Loan House of the Year", "European Leveraged Loan of the Year" for Seat PG in Italy and "North America-Oil and Gas Deal of the Year" for the Cameron Highway Oil Pipeline (sources: *IFR, Project Finance Magazine*).

The business' operating expenses and depreciation edged up by only 3.5%. However, on a constant scope and exchange basis and excluding bonuses, they decreased in line with the targets announced. Thus the cost/income ratio, one of the best in Europe for this market segment, improved 5.4 points at 58.2%. Gross operating income rose 29.8% to EUR 2,434 million (+43.7% at constant scope and exchange rates).

CIB's provisions fell 11.5% to EUR 633 million, despite the fact that EUR 200 million in general provisions were set aside to cover the consequences of a possible prolonged economic slowdown in Europe. This reduction stemmed from the economic recovery in 2003 in the United States where provisions were extremely high in 2002.

Corporate and Investment Banking's operating income thus rose 55.3% to EUR 1,801 million and pre-tax income 58.4% to EUR 1,879 million. Pre-tax return on equity came to 27% (+12 points).

BNP Paribas Capital

In millions of euros	2003	2002
Net Capital Gains	**584**	**705**
Other Net Revenues	-49	-50
Operating Expenses and Dep.	-39	-44
Pre-tax Income	**496**	**611**
Allocated Equity (EUR bn)	1.2	1.6

BNP Paribas Capital's pre-tax income came to EUR 496 million (-18.8%). This gradual reduction in BNP Paribas Capital's contribution is consistent with the Group's strategy to gradually divest holdings.

Given the divestitures carried out in 2003 (in particular, Royal Canin, Mobistar, and Aegon), the portfolio's estimated value declined to EUR 3.9 billion at 31 December 2003 from 4.5 billion at the end of 2002. While EUR 584 million in capital gains were realised during the year, unrealised capital gains fell only EUR 0.2 billion to EUR 1.2 billion as at 31 December 2003.

	ACTIVITY	% held(1)	Country	Market value (in EUR millions)
CONTROLLING INTEREST / LEAD INVESTING POSITIONS				
Eiffage	French leader in construction	29.4	France	403
Carbone Lorraine	One of the worldwide leaders in manufacturing carbone-based components	21.0	France	68
Evialis (ex GNA)		63.3	France	51
Diana	French leader in food for livestock	100.0	France	Not listed
Keolis (ex GTI)	Natural ingredients for food and pharmaceutical industries French leader in public transportation	48.7	France	Not listed (2)
MAIN MINORITY STAKES				
SR Téléperformance	Telemarketing, marketing services and health communication	9.8	France	58
LDC	3rd-largest French producer of poultry and leader in free-range poultry	4.6	France	17
Bormioli Rocco	Italian leader (3rd in Europe) for glass packaging and tableware	6.8	Italy	Not listed
Bouygues Telecom	Mobile phone network	6.5	France	Not listed
Dicobel	Automotive glass repair and replacement	30.0	Benelux	Not listed
OTHER EQUITY INVESTMENTS				
Pargesa (Cobepa)	Holding of GBL and Parfinance	14.7	Benelux	520
Aegon (Cobepa)	ONE OF THE LEADING GLOBAL INSURANCE COMPANIES	0.2	Benelux	40

(1) Including minority interests and before dilution

(2) Pre-agreed sale terms

OUTLOOK

The BNP Paribas Group will focus chiefly on development in 2004, against the backdrop of an economic and financial environment that seems to be on an improving trend. Barring a major shock, the Group expects to see further earnings growth in 2004.

THE GROUP

In France the Group has set up diversified and strong retail networks reaching out to 10 million individual and small business clients, and 60,000 companies. It has made its mark as a true European leader, both through "multi-local" businesses, such as Cetelem, Arval PHH, BPLG, BPSS and Cortal Consors, each of which is present in several European countries and is able to leverage the economies of scale that come with a leadership position, as well as via global businesses (fixed income, equity derivatives, financing) that market their services to the whole range of major European clients from a central point and are among the continent's key players in their field.

Serving two million clients in the United States, the BNP Paribas Group owns the fifth leading retail bank in California and the leader in Hawaii. It is also a recognised player on the national stage in several specialised businesses within Corporate and Investment Banking, including structured finance, derivatives, energy and commodities, export, and project finance.

Drawing on these robust positions in Europe and the United States, the Group should enjoy sustained growth on the back of a healthier economic environment. At the same time, it will strive to leverage its experience and local knowledge in high-potential markets to create alternate avenues for growth.

BNP Paribas Brazil enjoys strong organic growth and high profitability across several business lines (Corporate and Investment Banking, Asset Management and Services, International Retail Banking and Financial Services). BNP Paribas has a long-standing presence in China, with Hong Kong as its operational hub. Plans are now underway to step up development in the area from the base in Shanghai. In Russia, the Group's Moscow branch plans to capitalise on its foremost position in energy and commodities financing to develop other businesses in Corporate and Investment Banking, seeking new partnerships with local players. The Group also intends to launch a major development drive in the Middle East and North Africa, particularly in Morocco, Tunisia and the Persian Gulf countries.

The Group will continue to approach cost management with the discipline that produced renewed success in 2003, when the ambitious goals set for each business segment were met, bringing the cost/income ratio almost in line with what it was in 2001. A productivity drive launched in April 2003 is expected to generate savings of EUR 240 million by the end of 2004, through 83 identified projects. The Group is also launching a joint venture with IBM, to optimise its data processing while keeping control over its technical environment.

At the same time, BNP Paribas will continue to exercise very strict control over risks. Its prudent approach and effective procedures have enabled it to weather the economic slowdown that has impacted the U.S. and Europe over the past four years with provisions for credit risks and country risks not exceeding 0.51% of risk-weighted assets in 2002 and 0.50% in 2003.

Lastly, BNP Paribas plans to optimise its capital management through a combination of vigorous organic growth, the seeking of acquisition opportunities within the limits set by Group rules, a 21% increase in the dividend for 2003[3] and implementation of the share buyback programme announced in July 2003, for which 1.5 billion shares remain to be acquired in 2004.

Priorities for 2004 by core business

Retail Banking

French Retail Banking

French Retail Banking intends to keep up its modernisation drive and maintain capital expenditure levels in order to ensure greater availability of its sales teams and enhance client service. Underpinning these sales efforts will be the ramp-up of multi-channel banking, dedicated advisory centres for Private Banking, specialised sales teams for self-employed professionals and small businesses and the setting up of business centres for companies and institutional clients. The aim will be to raise revenue and boost client satisfaction on the strength of productivity gains and improved data processing quality, as well as systematic cross-selling with all businesses of Corporate

[3] Subject to approval by the Annual General Meeting

and Investment Banking, Asset Management and Services, and International Retail Banking and Financial Services.

International Retail Banking and Financial Services

As a first priority for 2004, BancWest will concentrate on leveraging its client base to increase the number of products sold per client and promoting cross-selling with Corporate and Investment Banking in trade finance, cash management, equity derivatives and public finance. BancWest already enjoys strong positioning at a domestic level in the specialised areas of Marine, Recreational vehicles, Church Lending, and Small Business Administration. It will develop these positions through organic growth, as it seeks out any opportunity for external expansion that meets Group criteria.

Cetelem's main focus will be on furthering sales growth in France while keeping a close watch on margins, particularly as it returns to managing revolving credit accounts for the French network, scheduled for the middle of the year. Outside France, Cetelem plans to build on its position as European leader and accelerate expansion in a number of major emerging countries, especially Mexico, where it intends to open a subsidiary in 2004.

Continuing development is also a priority for BNP Paribas Lease Group, UCB and Arval PHH, which should benefit in France from cross-selling with French Retail Banking, allowing them to extend outside France the momentum they have enjoyed in recent years. For retail banking operations in emerging countries and French overseas territories, key objectives will be to optimise management processes, maintain strict risk control and develop selectively in the most promising regions, particularly North Africa and the Persian Gulf.

Asset Management and Services

Growing the business and strengthening market share in Europe will be the twin focuses for Asset Management and Services. Private Banking sales teams should be expanded in Switzerland, Spain, Italy, Belgium and Asia, while Asset Management will seek to develop alternative structured products geared to emerging markets and to expand its capabilities in fund selection advisory services and discretionary portfolio management. Cortal Consors intends to roll out new services tailored to the needs of individual traders and launch new offerings aimed at affluent investors. This subsidiary also plans to set up a network of independent financial advisers in Germany that can reach a new category of clients in the country. The Insurance business will look to further bolster its strong market share in retirement savings in France in tandem with the application of new legislation on pensions, and to continue its rapid growth outside France, especially in personal risk products. BPSS will concentrate on developing services to investors in order to create another growth driver in addition to custodial and clearing operations.

Corporate and Investment Banking

In 2004 the Corporate and Investment Banking business will endeavour to further expand capital market operations while seeking to inject fresh momentum into financing operations.

Fixed Income aims to leverage its position as European leader to expand its presence in the United States and broaden its coverage of institutional clients and investment funds. The equity derivatives business will strive to consolidate the Group's ranking among global leaders. An innovative partnership should be set up with Exane in the field of equity brokerage for European institutional clients. Corporate Finance will focus on pursuing its development and broadening its Europe-wide coverage, in France, Italy, Germany and the United Kingdom. An aggressive sales strategy targeted at mid-caps should be rolled out in association with the business centres of the French network.

In an economic context that seems set to be brighter than in 2003, the financing businesses should be able to leverage new growth momentum, particularly for cross-border transactions and structured finance, while maintaining strict risk-control discipline. In energy and commodities, expansion of derivatives will be actively pursued, and the policy of marketing other Corporate and Investment Banking products will be stepped up, particularly in emerging countries.

Information in relation to the 1st Quarter 2004

Results
As at 31 March 2004

Paris, 6 May 2004,

SHARP RISE IN RESULTS:

GROSS OPERATING INCOME: €1,821MN (+ 10.0%)
OPERATING INCOME: €1,576MN (+ 19.7%)
NET INCOME GROUP SHARE: €1,263MN (+ 31.3%)

RISE IN THE RESULTS OF ALL THE CORE BUSINESSES

INTERNAL GROWTH:
NET BANKING INCOME: €4,631MN (+2.6%)
+4.5% AT CONSTANT SCOPE AND EXCHANGE RATES

EXPANSION DRIVE:

ACQUISITIONS AND PARTNERSHIP ALLIANCES IN EUROPE AND IN THE US

ACCELERATED PACE OF CUSTOMER BASE GROWTH IN RETAIL BANKING

CONSOLIDATED POSITIONS
AS ONE OF EUROPE'S LEADING CORPORATE & INVESTMENT BANKING GROUPS

On 5 May 2004, BNP Paribas' Board of Directors, chaired by Michel Pébereau, reviewed the Group's results for the first three months of the year.

SOARING RESULTS.

The first quarter 2004 saw the continuation of the contrasting economic and financial trends from the end of 2003 – a clear recovery in the United States but weak growth in Europe, rising equity markets but a weaker dollar exchange rate as compared with the beginning of 2003.

BNP Paribas capitalised on this mixed environment and posted EUR 4,631 million in quarterly net banking income, up 2.6% compared with the first quarter 2003. The dollar/euro exchange rate, down 13% compared to the first quarter 2003, obviously weighed in on this trend. At constant scope and exchange rates, net banking income grew 4.5%.

Operating expenses and depreciation remained under control, declining 1.6% compared to the first quarter 2003 (0.0% at constant scope and exchange rates).

Gross operating income thus came to EUR 1,821 million, the highest level since BNP Paribas was formed in 1999, and up 10.0% compared to the first quarter 2003 (+12.4% at constant scope and exchange rates). The cost/income ratio, at 60.7%, improved 2.6 points and confirmed the Group's highly competitive position in the Eurozone.

The net addition to provisions (EUR 245 million) was 27.7% less than in the first quarter 2003.

Operating income for the quarter thus totalled EUR 1,576 million, up 19.7% (+22.4% at constant scope and exchange rates) compared to the first quarter 2003. This is also a quarterly record for the Group.

The context of recovering equity markets over the past year helped generate a sharp rise in capital gains (EUR 397 million) compared to the first quarter 2003 (EUR 240 million).

At EUR 1,263 million, net income group share jumped 31.3% compared to the first quarter 2003 (+32.2% at constant scope and exchange rates).

Annualised return on equity was 17.7%. The Tier one ratio was estimated to be 8.9% as at 31 March 2004 and the book value per share was EUR 32.4.

All the Group's core businesses contributed to this performance.

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A ROBUST SALES AND MARKETING DRIVE UNDERTAKEN BY ALL THE CORE BUSINESSES.

1. Retail Banking

The net banking income of the Retail Banking businesses rose a fresh 2.2% compared to the first quarter 2003, at EUR 2,420 million (+3.8% at constant scope and exchange rates). Gross operating income (EUR 915 million) surpassed the first quarter 2003 level by 4.5% and pre-tax income came to EUR 697 million (+7.9% and +9.8% at constant scope and exchange rates).

French Retail Banking (FRB)

In the French Retail Banking branch network[1], net banking income was up 4.1% at EUR 1,258 million compared to the first quarter 2003. Net interest revenue edged up 2.0% to EUR 712 million and fees rose 7.1% to EUR 546 million due to the growth in fees from financial savings. Controlled operating expenses and depreciation (+2.7%) helped push gross operating income up 7.3%. The cost/income again improved at 67.5% (compared to 68.5% in the first quarter 2003). Pre-tax income (EUR 354 million) rose 8.9%.

After allocating one-third of French Private Banking income to AMS, French Retail Banking's pre-tax income was up 7.1% at EUR 334 million.

The core business achieved excellent performance in savings inflows (life insurance and savings accounts). It continued to generate a sharp rise in consumer lending (+14.1% compared to the first quarter 2003). Corporate lending rose compared to the fourth quarter 2003 (+1.4%) despite a sluggish market. The pace of the growth in the number of individual cheque and deposit accounts was on the rise (+28,400 as compared to +23,000 in the first quarter 2003).

[1] Including 100% of Private Banking in France

International Retail Banking and Financial Services (IRFS)

The fall in the dollar/euro exchange rate in the first quarter compared to the first quarter 2003 weighed in on the IRFS businesses' results. Net banking income rose a mere 0.8% to EUR 1,204 million, operating expenses and depreciation fell 1.2% to EUR 678 million and gross operating income edged up 3.3% to EUR 526 million.

Despite the fall in the dollar, the business' pre-tax income did nevertheless rise 8.7% to EUR 363 million.

The cost/income ratio (56.3%) improved 1.1 points compared to the first quarter 2003.

At constant scope and exchange rates, the rises better reflect underlying economic trends: net banking income rose 3.8%, operating expenses and depreciation edged up 0.8% and gross operating income grew 8.0%. Lastly, pre-tax income soared 12.4%.

BancWest boosted its pre-tax income by 0.7% but by 12.7% at constant scope and exchange rates. Net banking income in dollars rose 2.9% as the continued diminution of the interest margin due to low interest rates reduced the effects of the substantial growth in outstanding loans and deposits (+9.0% and +9.9% respectively).

The acquisitions currently under way of Community First and Union Safe Deposit, banks based in the western region of the United States, mark a new significant phase in BancWest's continued growth strategy in this fast-growing region of the United States.

Cetelem continued its robust growth. Pre-tax income grew 12.8% (+11.9% at constant scope and exchange rates), net banking income rose 11%, helped in particular by the full consolidation of the subsidiaries in Poland and Brazil (+7.1% at constant scope and exchange rates). Growth in outstanding loans was 7.0% compared to the first quarter 2003, driven by new loans in France (in particular its own account business: +7%) as well as abroad (+24%).

BNP Paribas Lease Group, UCB and Arval PHH continued their expansion across Europe with the launch of UCB in Greece and Arval PHH's purchase of Arma, which adds 20,000 vehicles to the fleet managed in The Netherlands and in Belgium.

The businesses in the emerging and overseas markets maintained their high level of profitability despite difficult business conditions. The Group acquired a further 10% stake in the Moroccan Bank of Commerce and Industry, bringing its equity holding to 63%.

2 – Asset Management and Services (AMS)

In a context of more positive equity markets, the AMS core business grew its net banking income 18.0%, compared to the first quarter 2003, to EUR 688 million. This growth is partly the result of an expanding of the scope to include real estate services. At constant scope and exchange rates, net banking income rose 12.2%.

Operating expenses and depreciation were under control (+5.0%, or +1.1% at constant scope and exchange rates), such that gross operating income, EUR 248 million, rose sharply compared to the first quarter 2003 (+51.2%, or 40.1% at constant scope and exchange rates).

Pre-tax income (EUR 224 million) jumped 62.3% (+49.5% at constant scope and exchange rates).

The Group's total assets under management grew to EUR 287 billion thanks in particular to EUR 4.3 billion in new cash inflows during the quarter.

Revenues from **Wealth & Asset Management** grew 15.1% at constant scope and exchange rates. Cortal Consors, Europe's number one online brokerage and savings services provider, with over 1 million customers, acquired 22,500 new direct customers during the quarter. Private Banking is expanding its business in the United States, taking over Sudamaris' customers in Miami and starting up business operations in India. Asset Management took over the management of one of ZCM Investor Capital's funds of hedge funds and successfully launched its first fund in China.

Real Estate Services, now part of Wealth & Asset Management, will see substantial development of its business in 2004 with the acquisition of Atis Real International, a leading player in corporate and institutional real estate management services and transactions in Europe. In the first quarter 2004, BNP Paribas introduced the French market's first Robien SCPI (unquoted tax incentivised real estate investment fund).

The **Insurance** business line grew its net banking income 20.1% compared to the first quarter 2003 due to a continued buoyant business development and very steady growth in the individual savings business in France. As a result of the pension-related investment schemes introduced by the French Retail Banking branch network, 100,000 financial savings were sold this quarter, mostly in the form of life-insurance policies.

The **Securities Services** business line, whose margins are still under pressure, continued its business development efforts (assets under custody grew 9% during the quarter and assets under management 8%), stabilised its net banking income (+0.7% compared to the first quarter 2003) and reduced its operating expenses and depreciation (- 4.1%), which helped produce a clear rebound in its performance.

3 – Corporate and Investment Banking (CIB)

Corporate and Investment Banking's businesses posted EUR 1,495 million in net banking income, close to the very high level in the first quarter 2003 (-4.0%, or -1.0% at constant scope and exchange rates).

Compared to this same quarter, the business cut its operating expenses and depreciation 8.1% (-4.4% at constant scope and exchange rates), such that gross operating income rose 1.5% to EUR 670 million (+3.5% at constant scope and exchange rates).

The cost of risk fell sharply (-67.2% at EUR 57 million) and continues to remain significant only in Europe. In Asia and the United States, the economic recovery combined with the Group's selective credit policy led to a very limited net increase in provisions.

Corporate and Investment Banking's pre-tax income thus rose 27.1% to EUR 614 million.

The **Capital Markets** businesses boasted a number of commercial successes: in the equity markets, Sanofi-Synthélabo mandated BNP Paribas as its co-advisor in its bid to buy Aventis; in the bond markets, BNP Paribas handled Tokyo Electric Power's benchmark bond issue in euros, Diageo's bond-issue in the US market and, for the first time, a bond-issue in sterling pounds for a British issuer (Bradford and Bingley), thus confirming its pan-European leadership. The magazine Euromoney ranked BNP Paribas global number 1 for investment-grade bond research.

Market risk has remained close to its 2003 level. The Capital Markets business line's net banking income totalled EUR 913 million, down 14.0% compared to the first quarter 2003. Both the Fixed Income and Equity Derivatives business lines performed well, even though Fixed Income's revenues were down compared to the very high level of the first quarter 2003.

The **Financing business lines** also showed sound business performances, which, for example, ranked BNP Paribas as Europe's number 1 syndicated loan arranger for the quarter (source: IFR). Outside Europe, the Group confirmed its position as a global leader in the Energy, Commodities, Export and Project Financing business line. The Group arranged the financing of Deer Park's refinery in the United States and BLCP Power's electrical power plant in Thailand. Given the good level of business and exceptionally high capital gains, revenues from the Financing business lines reached an exceptionally high level this quarter–EUR 582 million (+17.3%).

BNP Paribas Capital

BNP Paribas Capital's quarterly pre-tax income totalled EUR 308 million compared to EUR 292 million in the first quarter 2003.

As part of the strategy to achieve an optimised reduction in its direct investments portfolio, BNP Paribas Capital made substantial divestments this quarter, selling in particular a 10% block of Eiffage shares. Moreover, Private Equity funds, now valued using a practice that is in line with the valuation practice used for directly held equity investments (+EUR 112 million effect), also posted substantial gains.

Despite realising these capital gains, the portfolio's estimated value rose to EUR 4.1 billion, including EUR 1.3 billion in unrealised capital gains (EUR 1.2 billion as at 31 December 2003).

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Commenting on these results at the Board meeting, Baudouin Prot, Chief Executive Officer of BNP Paribas said, "During the course of the first quarter, BNP Paribas posted a sharp rise in its operating income as compared to the already high level of the first quarter 2003.

The beginning of the year is marked by an expansion drive: Corporate and Investment Banking has reinforced its leading position in Europe; Retail Banking and Asset Management Services have considerably expanded their customer bases; furthermore, the acquisitions under way in the United States and in Europe will expand the Group's scope, in accordance with its growth targets."

CONSOLIDATED PROFIT AND LOSS ACCOUNT

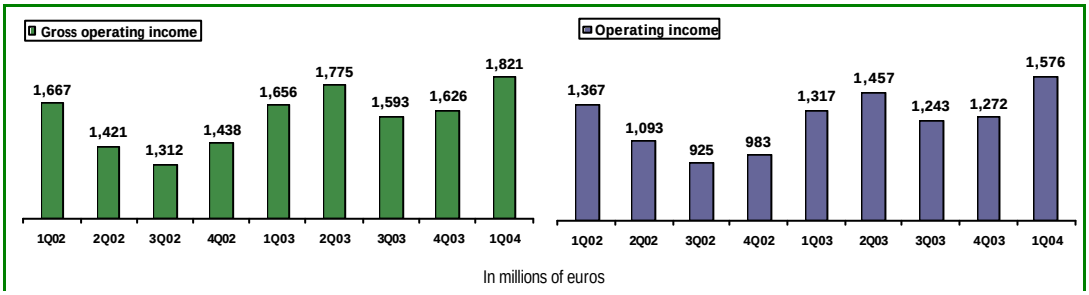
In millions of euros	1Q04	1Q03	1Q04 / 1Q03	4Q03	1Q04 / 4Q03
Net Banking Income (1)	**4,631**	**4,513**	**+2.6%**	**4,391**	**+5.5%**
Operating Expenses and Dep.	-2,810	-2,857	-1.6%	-2,765	+1.6%
Gross Operating Income	**1,821**	**1,656**	**+10.0%**	**1,626**	**+12.0%**
Provisions	-245	-339 (2)	-27.7%	-354	-30.8%
Operating Income	**1,576**	**1,317**	**+19.7%**	**1,272**	**+23.9%**
Associated Companies	41	13	n.s.	69	-40.6%
Gains and Provisions on Investments	397	240	+65.4%	145	x 2,8
Amortisation of Goodwill	-84	-101	-16.8%	-100	-16.0%
Non-Recurring Expense	-43	-25	n.s.	-121	-64.5%
Non Operating Items	**311**	**127**	**n.s.**	**-7**	**n.s.**
Pre-Tax Income	**1,887**	**1,444**	**+30.7%**	**1,265**	**+49.2%**
Tax Expense	-507	-378	+34.1%	-253	+100.4%
Minority Interests	-117	-104	+12.5%	-85	+37.6%
Net Income Group Share	**1,263**	**962**	**+31.3%**	**927**	**+36.2%**
Cost / Income	**60.7%**	**63.3%**	**-2.6 pt**	**63.0%**	**-2.3 pt**
Annualised ROE after Tax	17.7%	14.4%	+3.3 pt		
(1) Including Commission income	1,710	1,588	+7.7%	1,695	+0.9%

(Fees, revenues from the insurance business, other net banking operating income and miscellaneous net income)

(2) Including a €85 million general provision in 1Q03

At constant scope and exchange rates	1Q04 / 1Q03
Net Banking Income	**+4.5%**
Operating Expenses and Dep.	+0.0%
Gross Operating Income	**+12.4%**
Provisions	-27.0%
Operating Income	**+22.4%**
Pre-Tax Income	**+32.1%**
Net Income Group Share	**+32.2%**

THE BEST OPERATING INCOME SINCE BNP PARIBAS WAS FORMED IN 1999



In millions of euros

1ST QUARTER 2004 CORE BUSINESS RESULTS

In millions of euros	Retail Banking	Asset Mgt & Services	Corp. & Inv. Bkg	BNPP Capital	Other Activities	Group
Net Banking Income	**2,420**	**688**	**1,495**	**-23**	**51**	**4,631**
Change/1Q03	+2.2%	+18.0%	-4.0%	-14.8%	+64.5%	+2.6%
Change/4Q03	-1.1%	+6.0%	+12.7%	-14.8%	n.s.	+5.5%
Operating Expenses and Dep.	-1,505	-440	-825	-9	-31	-2,810
Change/1Q03	+0.9%	+5.0%	-8.1%	+12.5%	-22.5%	-1.6%
Change/4Q03	-1.1%	+4.3%	+9.9%	-10.0%	-49.2%	+1.6%
Gross Operating Income	**915**	**248**	**670**	**-32**	**20**	**1,821**
Change/1Q03	+4.5%	+51.2%	+1.5%	-8.6%	n.s.	+10.0%
Change/4Q03	-1.2%	+9.3%	+16.5%	-13.5%	n.s.	+12.0%
Provisions	-179	-6	-57	2	-5	-245
Change/1Q03	+6.5%	n.s.	-67.2%	n.s.	n.s.	-27.7%
Change/4Q03	-12.3%	n.s.	-61.7%	n.s.	n.s.	-30.8%
Operating Income	**736**	**242**	**613**	**-30**	**15**	**1,576**
Change/1Q03	+4.0%	+50.3%	+26.1%	-14.3%	n.s.	+19.7%
Change/4Q03	+1.9%	+12.0%	+43.9%	-25.0%	n.s.	+23.9%
Associated Companies	25	0	3	0	13	41
Capital Gains	-5	-1	-5	339	69	397
Amortisation of Goodwill	-61	-16	-2	-2	-3	-84
Other Items	2	-1	5	1	-50	-43
Pre-Tax Income	**697**	**224**	**614**	**308**	**44**	**1,887**
Change/1Q03	+7.9%	+62.3%	+27.1%	+5.5%	n.s.	+30.7%
Change/4Q03	+3.3%	+10.3%	+45.5%	n.s.	n.s.	+49.2%

In millions of euros	Retail Banking	Asset Mgt & Services	Corp. & Inv. Bkg	BNPP Capital	Other Activities	Group
Net Banking Income	**2,420**	**688**	**1,495**	**-23**	**51**	**4,631**
1Q03	2,368	583	1,558	-27	31	4,513
4Q03	2,447	649	1,326	-27	-4	4,391
Operating Expenses and Dep.	-1,505	-440	-825	-9	-31	-2,810
1Q03	-1,492	-419	-898	-8	-40	-2,857
4Q03	-1,521	-422	-751	-10	-61	-2,765
Gross Operating Income	**915**	**248**	**670**	**-32**	**20**	**1,821**
1Q03	876	164	660	-35	-9	1,656
4Q03	926	227	575	-37	-65	1,626
Provisions	-179	-6	-57	2	-5	-245
1Q03	-168	-3	-174	0	6	-339
4Q03	-204	-11	-149	-3	13	-354
Operating Income	**736**	**242**	**613**	**-30**	**15**	**1,576**
1Q03	708	161	486	-35	-3	1,317
4Q03	722	216	426	-40	-52	1,272
Associated Companies	25	0	3	0	13	41
1Q03	4	2	0	0	7	13
4Q03	30	18	1	0	20	69
Capital Gains	-5	-1	-5	339	69	397
1Q03	12	-2	-9	330	-91	240
4Q03	0	-2	34	50	63	145
Goodwill	-61	-16	-2	-2	-3	-84
1Q03	-74	-18	-5	-3	-1	-101
4Q03	-68	-21	-3	-4	-4	-100
Other Items	2	-1	5	1	-50	-43
1Q03	-4	-5	11	0	-27	-25
4Q03	-9	-8	-36	-1	-67	-121
Pre-Tax Income	**697**	**224**	**614**	**308**	**44**	**1,887**
1Q03	646	138	483	292	-115	1,444
4Q03	675	203	422	5	-40	1,265
Minority Interests	**-13**	**0**	**-1**	**-10**	**-93**	**-117**
Tax Expense						-507
Net Income, Group Share						**1,263**

RETAIL BANKING

In millions of euros	1Q04	1Q03	1Q04 / 1Q03	4Q03	1Q04 / 4Q03
Net Banking Income	**2,420**	**2,368**	**+2.2%**	**2,447**	**-1.1%**
Operating Expenses and Dep.	-1,505	-1,492	+0.9%	-1,521	-1.1%
Gross Operating Income	**915**	**876**	**+4.5%**	**926**	**-1.2%**
Provisions	-179	-168	+6.5%	-204	-12.3%
Operating Income	**736**	**708**	**+4.0%**	**722**	**+1.9%**
Amortisation of Goodwill	-61	-74	-17.6%	-68	-10.3%
Other Non Operating Items	22	12	+83.3%	21	+4.8%
Pre-Tax Income	**697**	**646**	**+7.9%**	**675**	**+3.3%**
Cost / Income	62.2%	63.0%	-0.8 pt	62.2%	+0.0 pt
Allocated Equity (Ebn)	9.5	9.4	1.0%		
Pre-Tax ROE	29%	28%			

At constant scope and exchange rates	1Q04 / 1Q03
Net Banking Income	**+3.8%**
Operating Expenses and Dep.	+1.8%
Gross Operating Income	**+7.1%**
Provisions	+4.4%
Operating Income	**+7.8%**
Pre-Tax Income	**+9.8%**

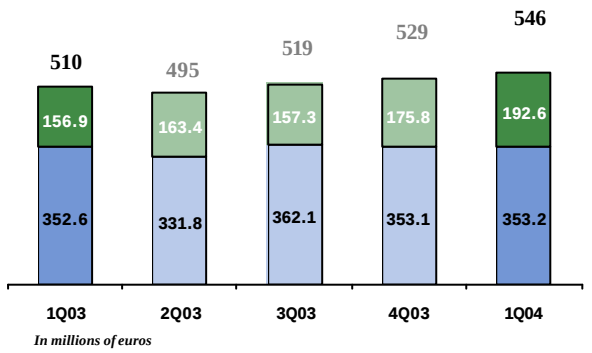
FRENCH RETAIL BANKING

In millions of euros	1Q04	1Q03	1Q04 / 1Q03	4Q03	1Q04 / 4Q03
Net Banking Income	**1,258**	**1,208**	**+4.1%**	**1,237**	**+1.7%**
Incl. Commissions	*546*	*510*	*+7.1%*	*529*	*+3.2%*
Incl. Interest Margin	*712*	*698*	*+2.0%*	*708*	*+0.6%*
Operating Expenses and Dep.	-849	-827	+2.7%	-851	-0.2%
Gross Operating Income	**409**	**381**	**+7.3%**	**386**	**+6.0%**
Provisions	-55	-52	+5.8%	-68	-19.1%
Operating Income	**354**	**329**	**+7.6%**	**318**	**+11.3%**
Non Operating Items	0	-4	n.s.	2	n.s.
Pre-Tax Income	**354**	**325**	**+8.9%**	**320**	**+10.6%**
Income Attributable to AMS	-20	-13	+53.8%	-18	+11.1%
Pre-Tax Income of French Retail Bkg	**334**	**312**	**+7.1%**	**302**	**+10.6%**
Cost / Income	67.5%	68.5%	-1.0 pt	68.8%	-1.3 pt
Allocated Equity (Ebn)	4.6	4.5	+2.0%		
Pre-Tax ROE	29%	28%			

Including 100% of French private banking for NBI to Pre-tax Income lines.

? NBI up 4.1% / 1Q03
? Cost of risk: 32 bp on weighted assets (32 bp in 2003)

FEES



100% of the French private banking

%change 1Q04 / 1Q03

Fees: +7.1%

Savings and Stock Markets: +22.7%

Other banking transactions: +0.2%

LOANS, DEPOSITS AND FUNDS UNDER MANAGEMENT

In billions of euros	Outstandings 1Q04	% change 1 year 1Q04/1Q03	% change 1 quarter 1Q04/4Q03
LENDINGS (1)			
Total Loans	72.6	+1.1%	+2.3%
Individual Customers	35.1	+14.1%	+3.5%
Incl. Mortgages	28.7	+16.7%	+4.3%
Incl. Consumer Lending	6.3	+3.8%	+0.0%
Corporates	34.3	-9.1%	+1.4%
DEPOSITS and SAVINGS (1)	72.1	+7.0%	+0.4%
Cheque and Current Accounts	29.5	+7.8%	+0.1%
Savings Accounts	35.2	+14.3%	+5.0%
Market Rate Deposits	7.5	-19.7%	-15.6%
FUNDS UNDER MANAGEMENT (2)			
Life Insurance	37.2	+12.6%	+3.7%
Mutual Funds (3)	59.9	+11.9%	+3.7%

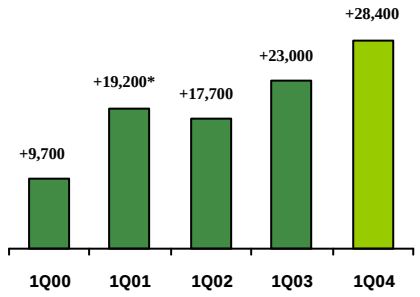
(1) Average cash Outstandings (2) Outstandings at the end of the period

(3) These statistics do not include mutual funds assets located in Luxembourg (PARVEST)

? Gross interest margin: 3.75%* (3.74%* in 4Q03, +14 bp in one year)
** sliding average 1 year*

INDIVIDUAL CUSTOMERS

INCREASED THE NUMBER OF INDIVIDUAL CHEQUE AND DEPOSIT ACCOUNTS



* including the effect of accounts transferred from the Treasury

Continued to Expand the Customer Base

FIRST QUARTER 2004: HIGHLIGHTS

? Savings: Very Good Performance
- ? Life insurance: +60% new money compared to 1Q03
  - 100,000 Financial Savings Plans opened in connection with pension-related investment schemes, mainly in the form of life insurance policies
- ? Savings accounts: assets +14.3% compared to 1Q03

? Lending to individuals: continued sharp rise in outstandings: +14.1% compared to 1Q03
- ? Mortgages: +16.7%
- ? Consumer lending: +3.8%

? Corporate lending: slight rise in outstandings (+1.4% compared to 4Q03) despite a sluggish market
- ?Continue to expand cross-selling with Corporate & Investment Banking's specialised business lines

INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

In millions of euros	1Q04	1Q03	1Q04 / 1Q03	4Q03	1Q04 / 4Q03
Net Banking Income	**1,204**	**1,195**	**+0.8%**	**1,251**	**-3.8%**
Operating Expenses and Dep.	-678	-686	-1.2%	-693	-2.2%
Gross Operating Income	**526**	**509**	**+3.3%**	**558**	**-5.7%**
Provisions	-124	-116	+6.9%	-136	-8.8%
Operating Income	**402**	**393**	**+2.3%**	**422**	**-4.7%**
Amortisation of Goodwill	-61	-74	-17.6%	-68	-10.3%
Other Non Operating Items	22	15	+46.7%	19	+15.8%
Pre-Tax Income	**363**	**334**	**+8.7%**	**373**	**-2.7%**
Cost / Income	56.3%	57.4%	-1.1 pt	55.4%	+0.9 pt
Allocated Equity (Ebn)	4.9	4.9	0%		
Pre-Tax ROE	30%	27%			

At constant scope and exchange rates	1Q04 / 1Q03
Net Banking Income	**+3.8%**
Operating Expenses and Dep.	+0.8%
Gross Operating Income	**+8.0%**
Provisions	+3.7%
Operating Income	**+9.3%**
Pre-Tax Income	**+12.4%**

BANCWEST

In millions of euros	1Q04	1Q03	1Q04 / 1Q03	4Q03	1Q04 / 4Q03
Net Banking Income	**371**	**409**	**-9.3%**	**380**	**-2.4%**
Operating Expenses and Dep.	-175	-202	-13.4%	-176	-0.6%
Gross Operating Income	**196**	**207**	**-5.3%**	**204**	**-3.9%**
Provisions	-15	-21	-28.6%	-12	25.0%
Operating Income	**181**	**186**	**-2.7%**	**192**	**-5.7%**
Amortisation of Goodwill	-33	-40	-17.5%	-34	-2.9%
Other Non Operating Items	0	1	n.s.	-1	n.s.
Pre-Tax Income	**148**	**147**	**0.7%**	**157**	**-5.7%**
Cost / Income	47.2%	49.4%	-2.2 pt	46.3%	+0.9 pt
Allocated Equity (Ebn)	1.5	1.6	-10.4%		
Pre-Tax ROE	41%	36%			

At constant scope and exchange rates	1T04 / 1T03
Net Banking Income	**+2.9%**
Operating Expenses and Dep.	-0.9%
Gross Operating Income	**+6.7%**
Provisions	-16.9%
Operating Income	**+9.3%**
Pre-Tax Income	**+12.7%**

? Growth in Revenues and Income in Dollars
? NBI: +2.9% compared to 1Q03
  ?Strong growth in Outstanding Loans +9.0% and Deposits +9.9%
  ?Deterioration of the margin due to lower interest rates: 3.98% compared to 4.49% in 1Q03 and 4.18% in 4Q03
? High quality portfolio: NPLs/Loans ratio 0.58% at the end of March 2004 as compared with 0.59% at the end of December 2003
? Community First and Union Safe Deposit acquisitions* currently under way
** subject to shareholders and to regulatory approval*

CETELEM

In millions of euros	1Q04	1Q03	1Q04 / 1Q03	4Q03	1Q04 / 4Q03
Net Banking Income	**403**	**363**	**11.0%**	**409**	**-1.5%**
Operating Expenses and Dep.	-214	-191	12.0%	-217	-1.4%
Gross Operating Income	**189**	**172**	**9.9%**	**192**	**-1.6%**
Provisions	-96	-82	17.1%	-92	4.3%
Operating Income	**93**	**90**	**3.3%**	**100**	**-7.0%**
Amortisation of Goodwill	-11	-13	-15.4%	-13	-15.4%
Other Non Operating Items	24	17	41.2%	29	-17.2%
Pre-Tax Income	**106**	**94**	**12.8%**	**116**	**-8.6%**
Cost / Income	53.1%	52.6%	+0.5 pt	53.1%	+0.0 pt
Allocated Equity (Ebn)	1.5	1.4	7.4%		
Pre-Tax ROE	28%	27%			

At constant scope and exchange rates	1T04 / 1T03
Net Banking Income	**+7.1%**
Operating Expenses and Dep.	+4.9%
Gross Operating Income	**+9.6%**
Provisions	+9.9%
Operating Income	**+9.3%**
Pre-Tax Income	**+11.9%**

? New loans: +13% compared to 1Q03 (outstandings: +7%):
  ? Strong growth in the number of new loans in French own account business: +7%
  ? Continued sharp growth outside France: +24%
? Cost of risk: scope effect due to the full consolidation of subsidiaries in new countries (Poland and Brazil), whose income was previously booked under the equity method

OTHER HIGHLIGTS

? BNP Paribas Lease Group
  ? New leases up in France (+12%) as well as abroad (+13%) / 1Q03
  ? Buoyant growth of outstandings abroad and slight decline in France

? UCB
  ? Business still fast-growing in 1Q04
    - New mortgages: +40% in France and +25% outside France
  ? Started up operations in Greece

? Arval PHH
  ? Bought ARMA, which is present in The Netherlands and in Belgium: manages €290mn in assets and a fleet of 20,000 vehicles

? Emerging and Overseas Markets
  ? Morocco: bought a 10% equity investment in BMCI, raising the group's equity investment to 63%
  ? Maintained a high level of profitability despite difficult business conditions

FINANCIAL SERVICES – MANAGED OUTSTANDINGS

In billions of euros	March-04	March-03	% change 1 year /March-03	Dec-03	% change 1 quarter /Dec-03
Cetelem	**29.4**	**27.5**	**+7.0%**	**29.0**	**+1.6%**
France	17.9	17.9	-0.0%	17.9	-0.2%
Outside France	11.5	9.6	+20.1%	11.0	+4.5%
BNP Paribas Lease Group MT	**15.8**	**16.0**	**-1.2%**	**15.7**	**+0.7%**
France	12.4	12.9	-3.5%	12.4	-0.0%
Europe (outside France)	3.4	3.1	+8.4%	3.3	+3.3%
UCB Individuals	**16.5**	**14.6**	**+13.2%**	**15.7**	**+5.3%**
France Individuals	9.3	8.8	+4.9%	9.2	+0.9%
Europe (outside France)	7.2	5.7	+26.0%	6.5	+11.5%
Long Term Leasing with Services	**4.9**	**4.5**	**+7.4%**	**4.7**	**+4.7%**
France (1)	1.6	1.7	-4.5%	1.6	+0.8%
Europe (outside France)	3.3	2.9	+14.4%	3.1	+6.7%
ARVAL – PHH					
Total Managed Vehicles (in thousands)	**611**	**613**	**-0.2%**	**600**	**+1.8%**
includind financed vehicles	411	353	+16.4%	387	+6.4%

(1) +1.6% March 04/March 03 method unchanged

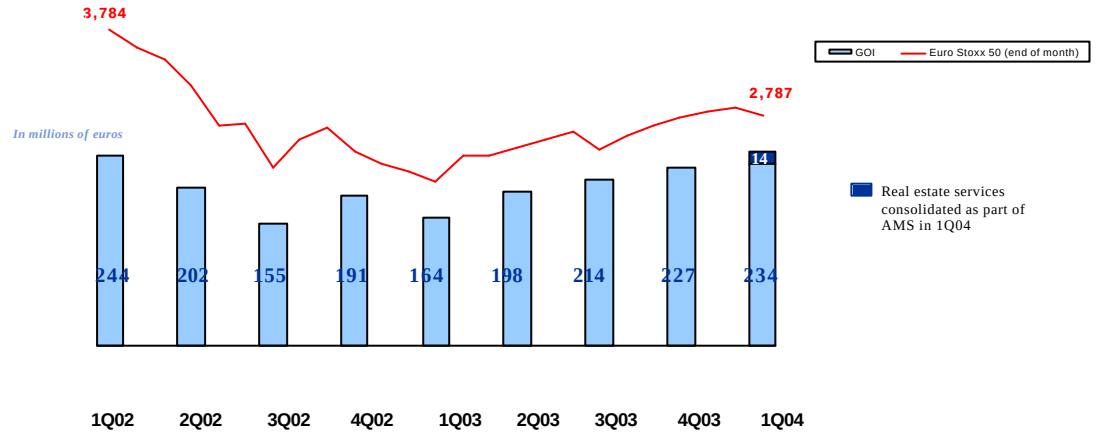
ASSET MANAGEMENT AND SERVICES

In millions of euros	1Q04	1Q03	1Q04 / 1Q03	4Q03	1Q04 / 4Q03
Net Banking Income	**688**	**583**	**+18.0%**	**649**	**+6.0%**
Operating Expenses and Dep.	-440	-419	+5.0%	-422	+4.3%
Gross Operating Income	**248**	**164**	**+51.2%**	**227**	**+9.3%**
Provisions	-6	-3	n.s.	-11	n.s.
Operating Income	**242**	**161**	**+50.3%**	**216**	**+12.0%**
Amortisation of Goodwill	-16	-18	-11.1%	-21	-23.8%
Other Non Operating Items	-2	-5	-60.0%	8	n.s.
Pre-Tax Income	**224**	**138**	**+62.3%**	**203**	**+10.3%**
Cost / Income	64.0%	71.9%	-7.9 pt		
Allocated Equity (Ebn)	3.1	2.9	6.5%		

At constant scope and exchange rates	1Q04 / 1Q03
Net Banking Income	**+12.2%**
Operating Expenses and Dep.	+1.1%
Gross Operating Income	**+40.1%**
Provisions	n.s.
Operating Income	**+39.1%**
Pre-Tax Income	**+49.5%**

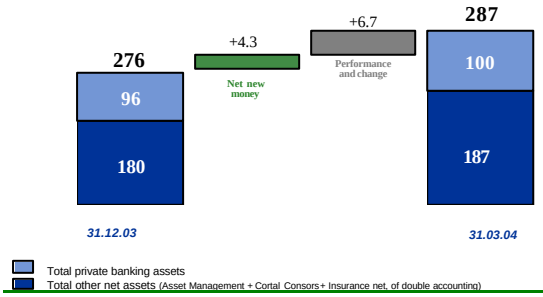
Scope effect: consolidated the Group's real estate businesses, previously reflected in "other businesses" operations (NBI: +€33mn and Operating Expenses and Depreciation: +€19mn)

GOI CONTINUED TO IMPROVE



ASSETS UNDER MANAGEMENT

In billions of euros



Net assets gathered 1Q04: +€4.3 bn
(+6.2%* of assets under management)
** Annualised rate*

WEALTH AND ASSET MANAGEMENT

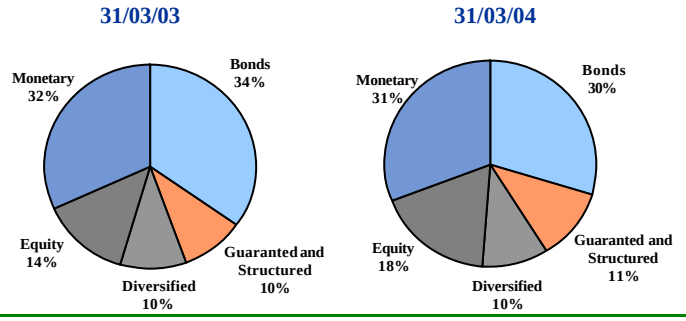
Wealth and Asset Management = Private Banking + Asset Management + Cortal Consors + Real Estate Services

In millions of euros	1Q04	1Q03	1Q04 / 1Q03	4Q03	1Q04 / 4Q03
Net Banking Income	**341**	**270**	**+26.3%**	**305**	**+11.8%**
Operating Expenses and Dep.	-229	-210	+9.0%	-214	+7.0%
Gross Operating Income	**112**	**60**	**+86.7%**	**91**	**+23.1%**
Provisions	-5	-3	n.s.	-6	n.s.
Operating Income	**107**	**57**	**+87.7%**	**85**	**+25.9%**
Amortisation of Goodwill	-9	-9	+0.0%	-11	-18.2%
Other Non Operating Items	0	-3	n.s.	0	n.s.
Pre-Tax Income	**98**	**45**	**+117.8%**	**74**	**+32.4%**
Cost / Income	67.2%	77.8%	-10.6 pt	70.2%	-3.0 pt
Allocated Equity (Ebn)	0.9	0.9	+10%		

At constant scope and exchange rates	1Q04 / 1Q03
Net Banking Income	**+15.1%**
Operating Expenses and Dep.	+0.7%
Gross Operating Income	**+63.0%**

Scope effect: consolidated the Group's real estate businesses, previously reflected in "other businesses" operations (NBI: +€33mn and Operating Expenses and Depreciation: +€19mn)

ASSET MANAGEMENT BUSINESS – BEAKDOWN OF AUM



? Cortal Consors: #1 in the European Market

- ? Accelerated growth in the customer base
  - 22,500 new direct customers in 1Q04
  - 1,060,000 customers as at 31 March 04
- ? Sustained expansion of stock market and savings operations
  - 2.2 million orders executed: +43%/1Q03
  - new savings money: +27%/1Q03
  - AUM: €14.5bn (+34%/1Q03)Cortal Consors

? Private Banking

- ? Signed a deal with Banca Intesa to take over Sudameris' customers in Miami ($700mn in assets)
- ? Started up a business in India Private Banking

? Asset Management
- ? Acquired Javelin, the ZCM Investor Capital's funds of hedge funds management business ($650mn assets under management), increasing BNP PAM's funds under management in this business to $2 bn
- ? Started up the joint-venture with Shenyin & Wanguo in China: the new fund Shengli Elite rose $823mn on a single month

? Real Estate services
- ? Acquired Atis Real International* which has a presence in:
  - France: AUGUSTE THOUARD
  - UK: WEATHERALLS
  - Germany: MÜLLER
  - Spain and Benelux
- ? Introduced the French market's first Robien SCPI (unquoted real estate investment fund)

** Not consolidated in the 1Q04 financial statements: acquired on 17/03/2004*

INSURANCE

In millions of euros	1Q04	1Q03	1Q04 / 1Q03	4Q03	1Q04 / 4Q03
Net Banking Income	**197**	**164**	**+20.1%**	**201**	**-2.0%**
Operating Expenses and Dep.	-94	-87	+8.0%	-91	+3.3%
Gross Operating Income	**103**	**77**	**+33.8%**	**110**	**-6.4%**
Provisions	-1	0	n.s.	-5	-80.0%
Operating Income	**102**	**77**	**+32.5%**	**105**	**-2.9%**
Non Operating Items	-4	-1	n.s.	10	n.s.
Pre-Tax Income	**98**	**76**	**+28.9%**	**115**	**-14.8%**
Cost / Income	47.7%	53.0%	-5.3 pt	45.3%	+2.4 pt
Allocated Equity (Ebn)	2.0	1.8	+12.5%		

? 44% rise in gross premium inflows (€3.1bn) as compared with 1Q03

? France
- ? Sharp rise in new money put into individual savings (+52%/1Q03)
- ? Share of unit-linked insurance products (28%) still higher than the market average (22%)

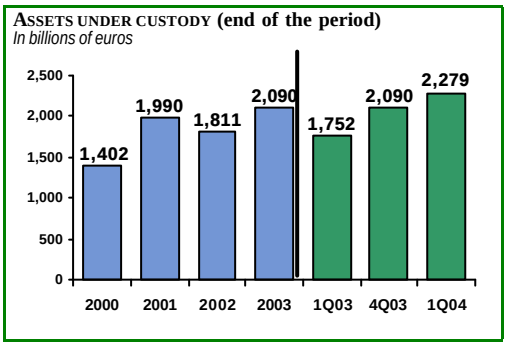
? Outside France
- ? New money inflows up 23% as compared with 1Q03

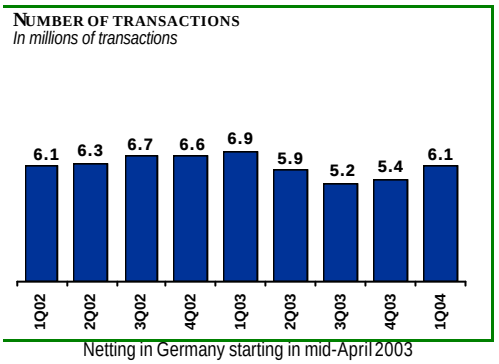
SECURITIES SERVICES

In millions of euros	1Q04	1Q03	1Q04 / 1Q03	4Q03	1Q04 / 4Q03
Net Banking Income	**150**	**149**	**+0.7%**	**143**	**+4.9%**
Operating Expenses and Dep.	-117	-122	-4.1%	-117	+0.0%
Gross Operating Income	**33**	**27**	**+22.2%**	**26**	**+26.9%**
Provisions	0	0	n.s.	0	n.s.
Operating Income	**33**	**27**	**+22.2%**	**26**	**+26.9%**
Amortisation of Goodwill	-4	-6	-33.3%	-6	-33.3%
Other Non Operating Items	-1	-4	-75.0%	-6	n.s.
Pre-Tax Income	**28**	**17**	**+64.7%**	**14**	**+100.0%**
Cost / Income	78.0%	81.9%	-3.9 pt	81.8%	-3.8 pt
Allocated Equity (Ebn)	0.2	0.3	-38.2%		

? Sustained sales and marketing drive
- ? Assets under custody: +9% as compared to 31.12.2003
- ? Assets under management: +8% as compared to 31.12.2003
- ? Number of transactions: +13% as compared with 4Q03

? Operating expenses and depreciation under control: -4.1% as compared with 1Q03 and flat compared to 4Q03





Netting in Germany starting in mid-April 2003

CORPORATE AND INVESTMENT BANKING

In millions of euros	1Q04	1Q03		1Q04 / 1Q03	4Q03	1Q04 / 4Q03
Net Banking Income	**1,495**	**1,558**		**-4.0%**	**1,326**	**+12.7%**
*Incl. Trading Revenues**	*839*	*998*		*-15.9%*	*719*	*+16.7%*
Operating Expenses and Dep.	-825	-898		-8.1%	-751	+9.9%
Gross Operating Income	**670**	**660**		**+1.5%**	**575**	**+16.5%**
Provisions	-57	-174	**	-67.2%	-149	-61.7%
Operating Income	**613**	**486**		**+26.1%**	**426**	**+43.9%**
Non Operating Items	1	-3		n.s.	-4	n.s.
Pre-Tax Income	**614**	**483**		**+27.1%**	**422**	**+45.5%**
Cost / Income	55.2%	57.6%		-2.4 pt	56.6%	-1.4 pt
Allocated Equity (Ebn)	6.5	7.1		-8.5%		
Pre-Tax ROE	38%	27%				

* Including customer activity and related revenues

**Including a €70 million general provision in1Q03

At constant scope and exchange rates	1Q04 / 1Q03
Net Banking Income	**-1.0%**
Operating Expenses and Dep.	-4.4%
Gross Operating Income	**+3.5%**
Provisions	-65.4%
Operating Income	**+27.1%**
Pre-Tax Income	**+27.2%**

ADVISORY AND CAPITAL MARKET

In millions of euros	1Q04	1Q03	1Q04 / 1Q03	4Q03	1Q04 / 4Q03
Net Banking Income	**913**	**1,062**	**-14.0%**	**827**	**+10.4%**
Operating Expenses and Dep.	-587	-661	-11.2%	-494	+18.8%
Gross Operating Income	**326**	**401**	**-18.7%**	**333**	**-2.1%**
Provisions	1	8	-87.5%	-9	n.s.
Operating Income	**327**	**409**	**-20.0%**	**324**	**+0.9%**
Non Operating Items	-4	6	n.s.	-6	-33.3%
Pre-Tax Income	**323**	**415**	**-22.2%**	**318**	**+1.6%**
Cost / Income	64.3%	62.2%	+2.1 pt	59.7%	+4.6 pt
Allocated Equity (Ebn)	2.5	2.6	-4.2%		

- Drop in the fixed income business and decline in revenues as compared with the very high level in 1Q03
- Good performance in equity derivatives
- Average VaR for the quarter: €31mn compared to €26mn in 1Q03 and €35mn on average for 2003

FINANCING BUSINESSES

In millions of euros	1Q04	1Q03	1Q04 / 1Q03	4Q03	1Q04 / 4Q03
Net Banking Income	**582**	**496**	**+17.3%**	**499**	**+16.6%**
Operating Expenses and Dep.	-238	-237	+0.4%	-257	-7.4%
Gross Operating Income	**344**	**259**	**+32.8%**	**242**	**+42.1%**
Provisions	-58	-182	-68.1%	-140	-58.6%
Operating Income	**286**	**77**	**x 3.7**	**102**	**x 2.8**
Non Operating Items	5	-9	n.s.	2	x 2.5
Pre-Tax Income	**291**	**68**	**x4.3**	**104**	**x 2.8**
Cost / Income	40.9%	47.8%	-6.9 pt	51.5%	-10.6 pt
Allocated Equity (Ebn)	4.0	4.5	-11.0%		

? Revenues up 17.3%
- ? Good business in Structured Finance, especially in Europe
- ? €50mn in capital gains in the Leveraged Finance businesses

? Sharp decline in the cost of risk
- ? The general provision set aside for Europe in 2003 (of which €70 million in 1Q03) was not used
- ? $9mn of the general provision set aside in 1999 for the US was used

VaR (1 day – 99%) by type of risk

In millions of euros	31-Dec-01	29-Mar-02	28-June-02	30-Sept-02	31-Dec-02	31-Mar-03	30-June-03	30-Sept-03	31-Dec-03	31-Mar-04
Commodities	1	1	1	1	2	3	3	3	2	2
Change	8	3	4	3	3	2	1	2	3	2
Equities	10	7	26	33	27	21	12	17	13	14
Interest rate	35	58	26	36	24	25	43	23	26	18
Credit									13	14
Netting	-17	-13	-25	-33	-28	-28	-21	-23	-35	-25
Total VaR	**37**	**56**	**32**	**40**	**28**	**23**	**38**	**22**	**22**	**25**

Last market trading day of the period

Inclusion in 4Q03 of "credit" risk, previously included and netted in the "interest rate" risk

BNP PARIBAS CAPITAL

In millions of euros	1Q04	1Q03	4Q03
Net Capital Gains	**339**	**330**	**50**
Other Net Income	-22	-30	-35
Operating Expenses and Dep.	-9	-8	-10
Pre-Tax Income	**308**	**292**	**5**
Allocated Equity (Ebn)	1.1	1.3	1.1

- Continued to divest directly held equity investments:
  - In particular, sale of a 10% equity holding in Eiffage
- Capital gains realised on Private Equity funds:
  - Sales of Antargaz (PAI Europe III) and of Ipsen (PAI LBO Fund)
  - Change in the way capital gains realised by private equity funds are taken into account in order to bring it in line with how directly held investments are handled (effect totalling +€112mn)
- Rise in the portfolio value
  - Estimated value: €4.1bn (€3.9bn as at 31/12/03)
  - Unrealised capital gains*: €1.3bn (€1.2bn as at 31/12/03)

** net of Cobepa's goodwill (€0.1 bn)*

BALANCE SHEET ITEMS

In billions of euros	31 March 04	31 Dec 03
Shareholders Equity, Group Share [a]	27.4	27.1
Total Capital ratio [a,b]	12.2%	12.9%
Tier One ratio [a,b]	8.9%	9.4%
Net Unrealised Capital Gains (1)	2.3	2.1
Doubtful Customers	14.1	14.1
Specific Provisions	9.4	9.4
Specific Provisions/ Doubtful Customers (2)	67%	67%
Reserves for Country Risks	1.8	1.8
Reserve for General Banking Risks	0.8	0.8

In millions of euros	1Q04	4Q03
Value at Risk 1 day 99% (end of period)	25	22
Average Quarterly Value at Risk (1day 99%)	31	34

(1) Cobepa goodwill deducted (E0.1 bn)

(2) The calculation of the Coverage rate takes into account only Specific Provisions, excluding General Provisions, Reserve for Country risks and Reserve for General Banking Risk

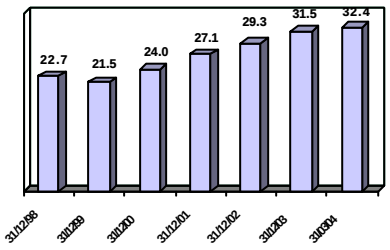
a) Estimates

b) Based on estimated Risk Weighted Assets of E289.9 bn as at 31 March 2004

NUMBER OF SHARE

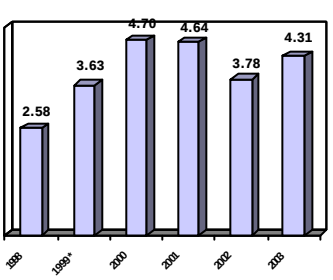
in millions	2003	1Q04
Number of Shares (end of period)	903.2	903.6
Number of Shares excluding Treasury Shares (end of period)	858.4	845.6
Average number of Shares outstanding excluding Treasury Shares	872.0	855.9

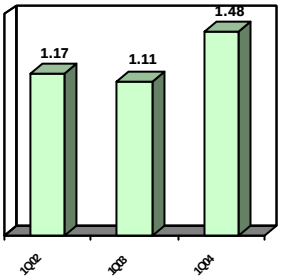
BOOK VALUE PER SHARE* (in euros)



* Book value (not re -evaluated and after dividends) divided by the numbers of shares outstanding

EARNINGS PER SHARE (in euros)





* Before restructuring provisions.

RATINGS

Moodys	Aa2	Stable Outlook	Rating upgraded to Aa2 on 19/02/2002
Fitch	AA	Stable Outlook	Rating upgraded to AA on 28/11/2001
S&P	AA-	**Positive** Outlook	Positive outlook **granted on 16/12/2003**

RESULT HISTORY OF THE CORE BUSINESSES

In millions of euros	1Q03	2Q03	3Q03	4Q03	1Q04
RETAIL BANKING					
Net Banking Income	**2,368**	**2,382**	**2,439**	**2,447**	**2,420**
Operating Expenses and Dep.	-1,492	-1,489	-1,509	-1,521	-1,505
Gross Operating Income	**876**	**893**	**930**	**926**	**915**
Provisions	-168	-193	-189	-204	-179
Operating Income	**708**	**700**	**741**	**722**	**736**
Non Operating Items	-62	-57	-57	-47	-39
Pre-Tax Income	**646**	**643**	**684**	**675**	**697**
French Retail Banking (including 2/3 of Private Banking in France)					
Net Banking Income	**1,173**	**1,168**	**1,196**	**1,196**	**1,216**
Operating Expenses and Dep.	-806	-805	-827	-828	-827
Gross Operating Income	**367**	**363**	**369**	**368**	**389**
Provisions	-52	-57	-48	-68	-55
Operating Income	**315**	**306**	**321**	**300**	**334**
Non Operating Items	-3	-2	1	2	0
Pre-Tax Income	**312**	**304**	**322**	**302**	**334**
International Retail Banking and Financial Services					
Net Banking Income	**1,195**	**1,214**	**1,243**	**1,251**	**1,204**
Operating Expenses and Dep.	-686	-684	-682	-693	-678
Gross Operating Income	**509**	**530**	**561**	**558**	**526**
Provisions	-116	-136	-141	-136	-124
Operating Income	**393**	**394**	**420**	**422**	**402**
Non Operating Items	-59	-55	-58	-49	-39
Pre-Tax Income	**334**	**339**	**362**	**373**	**363**
Cetelem					
Net Banking Income	**363**	**392**	**401**	**409**	**403**
Operating Expenses and Dep.	-191	-200	-203	-217	-214
Gross Operating Income	**172**	**192**	**198**	**192**	**189**
Provisions	-82	-89	-98	-92	-96
Operating Income	**90**	**103**	**100**	**100**	**93**
Non Operating Items	4	3	11	16	13
Pre-Tax Income	**94**	**106**	**111**	**116**	**106**
BancWest					
Net Banking Income	**409**	**395**	**408**	**380**	**371**
Operating Expenses and Dep.	-202	-195	-191	-176	-175
Gross Operating Income	**207**	**200**	**217**	**204**	**196**
Provisions	-21	-20	-22	**-12**	**-15**
Operating Income	**186**	**180**	**195**	**192**	**181**
Non Operating Items	-39	-39	-41	-35	-33
Pre-Tax Income	**147**	**141**	**154**	**157**	**148**

In millions of euros	1Q03	2Q03	3Q03	4Q03	1Q04
ASSET MANAGEMENT AND SERVICES					
Net Banking Income	**583**	**614**	**630**	**649**	**688**
Operating Expenses and Dep.	-419	-416	-416	-422	-440
Gross Operating Income	**164**	**198**	**214**	**227**	**248**
Provisions	-3	0	-2	-11	-6
Operating Income	**161**	**198**	**212**	**216**	**242**
Non Operating Items	-23	-21	-7	-13	-18
Pre-Tax Income	**138**	**177**	**205**	**203**	**224**
Wealth and Asset Management*					
Net Banking Income	**270**	**275**	**293**	**305**	**341**
Operating Expenses and Dep.	-210	-211	-210	-214	-229
Gross Operating Income	**60**	**64**	**83**	**91**	**112**
Provisions	-3	0	-3	-6	-5
Operating Income	**57**	**64**	**80**	**85**	**107**
Non Operating Items	-12	-12	-1	-11	-9
Pre-Tax Income	**45**	**52**	**79**	**74**	**98**
Insurance					
Net Banking Income	**164**	**180**	**188**	**201**	**197**
Operating Expenses and Dep.	-87	-86	-88	-91	-94
Gross Operating Income	**77**	**94**	**100**	**110**	**103**
Provisions	0	0	1	-5	-1
Operating Income	**77**	**94**	**101**	**105**	**102**
Non Operating Items	-1	3	2	10	-4
Pre-Tax Income	**76**	**97**	**103**	**115**	**98**
Securities Services					
Net Banking Income	**149**	**159**	**149**	**143**	**150**
Operating Expenses and Dep.	-122	-119	-118	-117	-117
Gross Operating Income	**27**	**40**	**31**	**26**	**33**
Provisions	0	0	0	0	0
Operating Income	**27**	**40**	**31**	**26**	**33**
Non Operating Items	-10	-12	-8	-12	-5
Pre-Tax Income	**17**	**28**	**23**	**14**	**28**

* Including real estate services from 1Q04

In millions of euros	1Q03	2Q03	3Q03	4Q03	1Q04
CORPORATE AND INVESTMENT BANKING					
Net Banking Income	**1,558**	**1,545**	**1,389**	**1,326**	**1,495**
*Incl. Trading Revenues**	*998*	*970*	*769*	*719*	*839*
Operating Expenses and Dep.	-898	-925	-810	-751	-825
Gross Operating Income	**660**	**620**	**579**	**575**	**670**
Provisions	-174	-142	-168	-149	-57
Operating Income	**486**	**478**	**411**	**426**	**613**
Non Operating Items	-3	-3	88	-4	1
Pre-Tax Income	**483**	**475**	**499**	**422**	**614**
Advisory and Capital Markets					
Net Banking Income	**1,062**	**1,055**	**891**	**827**	**913**
Operating Expenses and Dep.	-661	-684	-568	-494	-587
Gross Operating Income	**401**	**371**	**323**	**333**	**326**
Provisions	8	0	1	-9	1
Operating Income	**409**	**371**	**324**	**324**	**327**
Non Operating Items	6	-3	105	-6	-4
Pre-Tax Income	**415**	**368**	**429**	**318**	**323**
Financing Businesses					
Net Banking Income	**496**	**490**	**498**	**499**	**582**
Operating Expenses and Dep.	-237	-241	-242	-257	-238
Gross Operating Income	**259**	**249**	**256**	**242**	**344**
Provisions	-182	-142	-169	-140	-58
Operating Income	**77**	**107**	**87**	**102**	**286**
Non Operating Items	-9	0	-17	2	5
Pre-Tax Income	**68**	**107**	**70**	**104**	**291**

* Including customer activity and related revenues

In millions of euros	1Q03	2Q03	3Q03	4Q03	1Q04
BNP Paribas Capital					
Net Banking Income	**-27**	**26**	**-6**	**-27**	**-23**
Operating Expenses and Dep.	-8	-11	-10	-10	-9
Gross Operating Income	**-35**	**15**	**-16**	**-37**	**-32**
Provisions	0	0	0	-3	2
Operating Income	**-35**	**15**	**-16**	**-40**	**-30**
Non Operating Items	327	65	135	45	338
Pre-Tax Income	**292**	**80**	**119**	**5**	**308**
OTHER ACTIVITIES *					
Net Banking Income	**31**	**84**	**-72**	**-4**	**51**
Operating Expenses and Dep.	-40	-35	-42	-61	-31
Gross Operating Income	**-9**	**49**	**-114**	**-65**	**20**
Provisions	6	17	9	13	-5
Operating Income	**-3**	**66**	**-105**	**-52**	**15**
Non Operating Items	-112	18	16	12	29
Pre-Tax Income	**-115**	**84**	**-89**	**-40**	**44**
GROUP					
Net Banking Income	**4,513**	**4,651**	**4,380**	**4,391**	**4,631**
Operating Expenses and Dep.	-2,857	-2,876	-2,787	-2,765	-2,810
Gross Operating Income	**1,656**	**1,775**	**1,593**	**1,626**	**1,821**
Provisions	-339	-318	-350	-354	-245
Operating Income	**1,317**	**1,457**	**1,243**	**1,272**	**1,576**
Non Operating Items	127	2	175	-7	311
Pre-Tax Income	**1,444**	**1,459**	**1,418**	**1,265**	**1,887**

* excluding real estate services from 1Q04

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Information in relation to the 2nd Quarter 2004

Results
As at 30 June 2004

Paris, 2 August 2004,

BNP PARIBAS IN THE SECOND QUARTER 2004:

GROSS OPERATING INCOME: €1,903 MN (+7.2%)

OPERATING INCOME: €1,688 MN (+15.9%)

NET INCOME GROUP SHARE: €1,352 MN (+ 49.9%)

SHARP RISE IN THE RESULTS OF ALL THE CORE BUSINESSES

FIRST HALF 2004:

SOARING PROFITABILITY: ANNUALISED ROE: 18.5% (+ 4.5 POINTS)

SUSTAINED ORGANIC GROWTH IN ALL THE CORE BUSINESS
- **RISE IN THE RISK WEIGHTED ASSETS (GROUP TOTAL: + 12.4%)**
- **ENHANCED COMPETITIVE POSITIONS**

SIGNIFICANT ACQUISITIONS:
- **2 BILLION EUROS IN AGREEMENTS/MOU ANNOUNCED SINCE THE BEGINNING OF THE YEAR**

On 30 July 2004, BNP Paribas's Board of Directors, chaired by Michel Pébereau, reviewed the Group's results for the second quarter of the year as well as the semester's accounts.

RESULTS UP SHARPLY.

In the second quarter 2004, the recovery of the economy was confirmed and was more marked in the United States than in Europe with, as a corollary, a rise in long-term interest rates and a stabilisation of the dollar vis-à-vis the euro. Equity markets consolidated their recovery which commenced in 2003 but did not rise further.
BNP Paribas capitalised on this mixed environment, posting 4,743 million euros in quarterly net banking income, up 2.0% compared to the second quarter 2003 level. This boost in revenues was accompanied by a decline in operating expenses and depreciation, down 1.3% compared to the second quarter 2003 level.

Gross operating income thus totalled 1,903 million euros, up 7.2% compared to the second quarter 2003. The cost/income ratio, which improved 1.9 points at 59.9%, is the Group's best performance ever.

Net additions to provisions (215 million euros) were 32.4% below the second quarter 2003 level.

The quarter's operating income thus totalled 1,688 million euros, up 15.9% compared to the second quarter 2003.

Disposals of equity investments, consistent with the Group's strategy, generated higher capital gains (207 million euros) compared to the second quarter 2003 (104 million euros).

Corporate taxes were down substantially (-16%) compared to the second quarter 2003, which saw the one-off impact of the listed real-estate company Klepierre's change in tax status. Furthermore, the disposal of Cobepa in the second quarter 2004 substantially reduced the capital gains tax for the full half year. The net income, group share, at 1,352 million euros, soared (+49.9%).

Annualised return on equity was 18.5% for the full first half of the year.

All the Group's core businesses were instrumental in this performance and posted sharp rises in their incomes.

◆

◆ ◆

A POWERFUL SALES AND MARKETING DRIVE AND RESULTS UP SHARPLY IN ALL THE CORE BUSINESSES.

1. Retail Banking

The net banking income generated by Retail Banking's operations rose considerably (5.1%) compared to the second quarter 2003, to 2,503 million euros. Gross operating income (959 million euros) surpassed by 7.4% the level attained in the second quarter 2003 and pre-tax income came to 732 million euros (+13.8%).

French Retail Banking (FRB)

The French banking network[1] posted net banking income that was up 4.8% compared to the second quarter 2003, at 1,262 million euros. Net interest revenue edged up 3.1% to 731 million euros and commission rose 7.3% to 531 million euros. Keeping operating expenses and depreciation under control (+3.0%) helped push gross operating income up 8.8%. The cost/income ratio made further progress at 67.6% (compared to 68.8% in the second quarter 2003). Pre-tax income (351 million euros) was up 10.4%.

After allocating AMS[2] a third of the income from French Private Banking, the FRB core business' pre-tax income was up 9.5% at 333 million euros.

For the entire first half of the year, FRB's return on allocated equity was 29% (+1 point compared to the first half 2003).

This business had excellent performance in terms of savings inflows (life insurance, retirement savings funds). It continues to experience a sharp rise in consumer lending (+16.3% compared to the second quarter 2003), in particular mortgage lending. The rebound in corporate lending, patent since the beginning of 2004, continued during the second quarter (+2.8% compared to the first quarter).

[1] With 100% of Private Banking in France.

[2] Asset Management and Services, the new name of the Private Banking and Asset Management core business.

International Retail Banking and Financial Services (IRFS)

IFRS's net banking income rose 5.6% compared to the second quarter 2003, at 1,282 million euros. Gross operating income jumped 7.2% to 568 million euros, driven by a fresh improvement of the cost/income ratio, at 55.7%.

The cost of risk was down compared to the second quarter 2003 (-2.9%) and the business posted a sharp rise in pre-tax income, up 17.7%, at 399 million euros.

For the entire first half of the year, IFRS's return on allocated equity was 31%, up 3 points compared to the first half 2003.

BancWest improved its pre-tax income by 10.6% (15.7%, assuming constant exchange rates, the dollar/euro parity having fallen on average 5.3% between the second quarter 2003 and second quarter 2004). Net banking income edged up 2.6%, assuming constant exchange rates, the continued deterioration of the interest margin, due to the low level of interest rates, reducing the effects of the substantial growth in outstanding loans and deposits (+8.7% and 11.7% respectively).

Cetelem continued its rapid growth. Net banking income jumped 9.2% compared to the second quarter 2003 with the full consolidation of the Polish and Brazilian subsidiaries and taking a 100% equity interest in the British subsidiary (the rise is 5.3% assuming constant scope and exchange rates). Pre-tax income was up 13.2% (+15.6% assuming constant scope and exchange rates). Growth in outstandings, up 11.7% as compared to 30 June 2003, was driven by rises in the amount of new loans in France (+9%) as well as abroad (+20%). In particular, the amount of loan applications processed over the Internet has risen rapidly.

BNP Paribas Lease Group, UCB and Arval PHH continue their rapid expansion in Europe with outstandings as at 30 June 2004, excluding France, up respectively 11.9%, 27.3% and 27.7% compared to 30 June 2003. Arma was successfully consolidated with Arval PHH.

The businesses operating in **emerging and overseas markets** improved substantially their cost/income ratio during the first half 2004: a 3.6 point decline compared to the first half 2003.

Since the beginning of the year, the Group has undertaken several acquisition initiatives implicating IFRS's various business lines and situated in priority geographic areas:

- In the United States, BancWest is in the process of acquiring Community First and Union Safe Deposit,

- In the European Union:

. Arval PHH has acquired Arma,

. BNP Paribas Lease Group is acquiring Leaseco Nederland,

- in Russia, Cetelem reached an agreement to acquire an interest in the Russian Standard Bank (50%),

- in Turkey, BNP Paribas signed a Memorandum of Understanding to acquire an interest in Turk Ekonomi Bankasi (50%).

These acquisition initiatives amount to a potential 600 million euro contribution to the IRFS core business's NBI on a full-year basis.

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2 – Asset Management and Services (AMS)

The AMS core business grew its net banking income 18.9% compared to the second quarter 2003, to 730 million euros. This trend is partly the result of a scope expanded to include real estate services since the beginning of 2004. Assuming constant scope and exchange rates, the 11.1% rise in net banking income is a continuation of the recent sustained trend.

Due to this drive in revenues and a good control of operating expenses and depreciation (+7.2%, or +1.8% assuming constant scope and exchange rates), gross operating income, 284 million euros, rose sharply compared to the second quarter 2003 (+43.4%, or +29.7% assuming constant scope and exchange rates).

Pre-tax income (266 million euros) was up 50.3% (+38.4% assuming constant scope and exchange rates).

The rise, compared to the first quarter 2004 (NBI: +6.1% and GOI: +14.5%), reflects the business' resilience in a lacklustre climate.

During the first six months of the year, total assets under Group management grew to 286 billion euros thanks in particular to 6.9 billion euros in new cash inflows.

Assuming constant scope and exchange rates, revenues from **Wealth & Asset Management** grew 13.6% compared to the second quarter 2003, while operating expenses and depreciation were stabilised, producing strong growth in gross operating income, at 54.0%.

Cortal Consors's customer base expanded during the first half of the year, taking in 40,400 new customers; its stock market business grew 18% despite a slow down in the second quarter and its assets under management rose

[3] Asset Management and Services, the new name of the Private Banking and Asset Management core business.

29%. In Asset Management, BNP Paribas has created a European leader in multimanagement services through a link-up of Cortal Consors and BNP PAM. Private Banking enjoyed good business in France and abroad. Real Estate services are fast-growing, in particular property management services (+12% compared to the first half 2003 with 5.3 million square metres of office space under management).

The **Insurance** business line has successfully continued to pursue its aggressive marketing strategy. Its net banking income jumped 16.1% compared to the second quarter 2003 due to continued sustained growth outside France (new premiums: +48% compared to the second quarter 2003) and a sizeable gain in market share in France (+1 point at 8.5% since the beginning of the year).

The **Securities Services** business line, still experiencing pressure on its margins and a slump in the number of market transactions, has continued its business development. The assets under custody as at 30 June 2004 were up 21% compared to 30 June 2003. Net banking income thus grew 3.8% and gross operating income rose 10.0% compared to the second quarter 2003.

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3 – Corporate and Investment Banking (CIB)

Despite a more difficult market, the Corporate and Investment Banking core business posted 1,453 million euros in net banking income, close to the second quarter 2003 level (-6.0%) and the first quarter 2004 level (-2.8%).

Compared to the second quarter 2003, the business cut its operating expenses and depreciation 10.7% such that gross operating income edged up 1.1% to 627 million euros.

The cost of risk fell sharply (-95.1% to 7 million euros). Economic recovery combined with the Group's stringent credit policy resulted in an extremely limited net addition to provisions. The general provision set aside in 2003 for risks in Europe remained unused as of 30 June 2004.

The Corporate and Investment Banking core business's quarterly pre-tax income thus rose 39.8% to 664 million euros compared to the second quarter 2003.

The core business's pre-tax return on allocated equity for the first half of the year totalled 37%, up 10 points compared to the first half 2003.

The **Advisory & Capital Market** business line enjoyed a number of commercial successes. BNP Paribas moved into the number 1 spot during the first half of the year, with market share topping 10%, among corporate euro-denominated bond bookrunners. For the very first time, the Group ranks among Europe's top ten banks acting as financial advisors in connection with mergers and acquisitions[6].

The market risk level remains low, close to the 2003 level. The Advisory & Capital Market business line's net banking income totalled 896 million euros, down 15.1% compared to the second quarter 2003, but very close (-1.9%) to the first quarter 2004 level.

The **Financing** business line also posted business performances which, for example, rank BNP Paribas as Europe's number 1 syndicated credit bookrunners for the first half of the year[4]. Even outside Europe, the Group ranks second global lead arranger of project finance[4] and was named "Best Commodity Bank 2004" by the magazine Trade Finance. Due to good performance across all the business lines, especially in Energy, Commodities, Export, Project, the Financing business lines' revenues reached a high level: 557 million euros (+13.7% compared to the second quarter 2003).

[4] Source : International Financing Review.

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As of 30 June 2004, shareholders' equity, group share, totalled 27.5 billion euros and the Tier One ratio 8.4%. Standard & Poor's upgraded BNP Paribas' rating to AA on 6 July 2004, bringing it in line with the superior ratings that the two other leading agencies, Moody's and Fitch, had already given BNP Paribas. The Group's equity investment portfolio has unrealised capital gains estimated to be worth 2.1 billion euros as at 30 June 2004, 1.1 billion euros of which were related to BNP Paribas Capital.

As part of its programme announced in 2003, the Group bought back 729 million euros in BNP Paribas shares during the second quarter. The completion of this programme and the neutralisation of the shares to be issued to the Group's employees imply the buy back of roughly another 450 million euros in shares in the second half of the year.

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Commenting on these results as he addressed the Board members, Baudouin Prot, the Chief Executive, said: "*In the first half 2004, BNP Paribas did excellent business and generated very good results. Beyond the immediate outlook in the second half of the year – results in the second half being by nature lower than in the first half of the year – this drive is part of a substantive trend. The over 10% rise in risk weighted assets and the improved competitive positions of the core businesses reflect the Group's determination to harness its capital to step up the pace of organic growth and to enhance profitability. Furthermore, since the beginning of the year, the Group has initiated close to 2 billion euros in acquisitions, consistent with its priorities, that will be new growth levers in the coming years*."

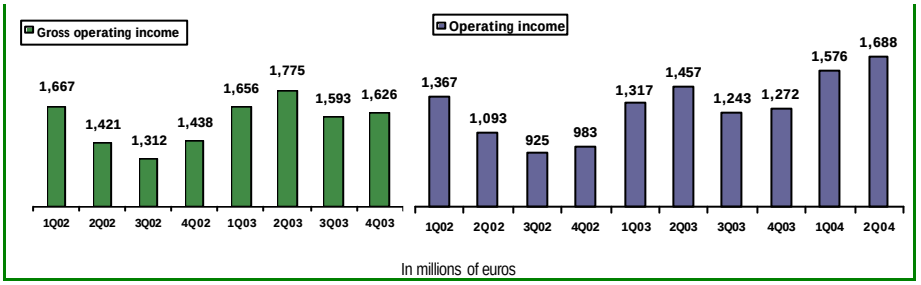
CONSOLIDATED PROFIT AND LOSS ACCOUNT

In millions of euros	2Q04	2Q03	2Q04 / 2Q03	1Q04	2Q04 / 1Q04	1H04	1H03	1H04 / 1H03
Net Banking Income (1)	**4,743**	**4,651**	**+2.0%**	**4,631**	**+2.4%**	**9,374**	**9,164**	**+2.3%**
Operating Expenses and Dep.	-2,840	-2,876	-1.3%	-2,810	+1.1%	-5,650	-5,733	-1.4%
Gross Operating Income	**1,903**	**1,775**	**+7.2%**	**1,821**	**+4.5%**	**3,724**	**3,431**	**+8.5%**
Provisions	-215	-318	-32.4%	-245	-12.2%	-460	-657	-30.0%
Operating Income	**1,688**	**1,457**	**+15.9%**	**1,576**	**+7.1%**	**3,264**	**2,774**	**+17.7%**
Associated Companies	63	26	n.s.	41	+53.7%	104	39	x 2,7
Gains and Provisions on Investments	207	104	+99.0%	397	-47.9%	604	344	+75.6%
Amortisation of Goodwill	-97	-99	-2.0%	-84	+15.5%	-181	-200	-9.5%
Extraordinary Items	11	-29	n.s.	-43	n.s.	-32	-54	-40.7%
Non Operating Items	**184**	**2**	**n.s.**	**311**	**-40.8%**	**495**	**129**	**n.s.**
Pre-Tax Income	**1,872**	**1,459**	**+28.3%**	**1,887**	**-0.8%**	**3,759**	**2,903**	**+29.5%**
Tax Expense	-437	-520 *	-16.0%	-507	-13.8%	-944	-898	+5.1%
Minority Interests	-83	-37 *	+124.3%	-117	-29.1%	-200	-141	+41.8%
Net Income Group Share	**1,352**	**902**	**+49.9%**	**1,263**	**+7.0%**	**2,615**	**1,864**	**+40.3%**
Cost / Income	**59.9%**	**61.8%**	**-1.9 pt**	**60.7%**	**-0.8 pt**	**60.3%**	**62.6%**	**-2.3 pt**
Annualised ROE after Tax						18.5%	14.0%	+4.5 pt
(1) Including Commission income	1,730	1,522	+13.7%	1,710	+1.2%	3,440	3,110	+10.6%

(Fees, revenues from the insurance business, other net banking operating income and miscellaneous net income)

* €130mn reserve set aside for taxes in connection with Klépierre's adpotion of a new tax status. Corresponding reduction in minority interests of €60mn

CONTINUING GROWTH IN OPERATING INCOME



2ND QUARTER 2004 CORE BUSINESS RESULTS

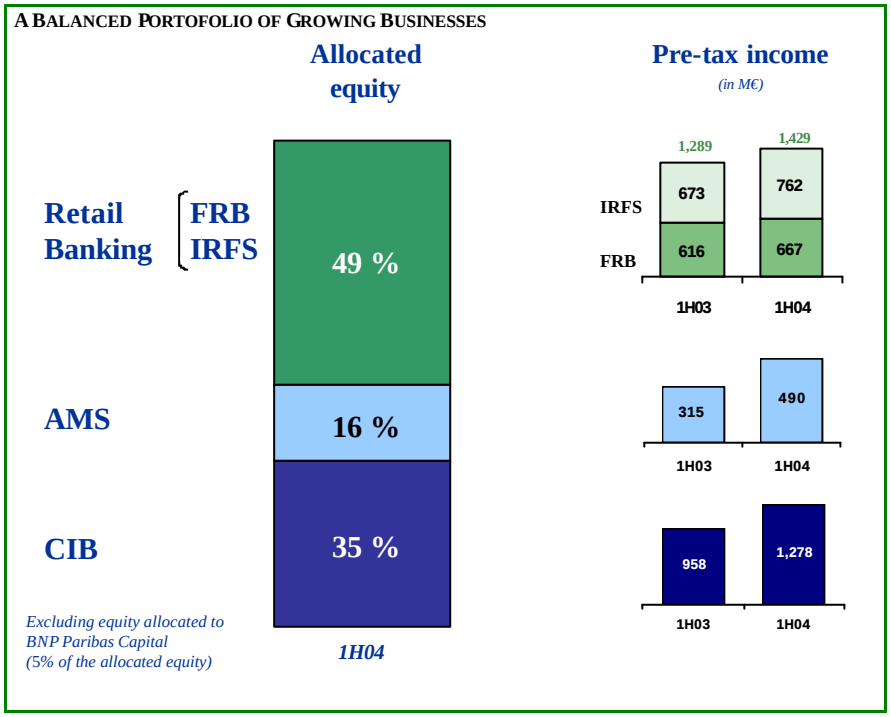
In millions of euros	Retail Banking	Asset Mgt & Services	Corp. Inv. Bkg	BNP Paribas Capital	Other Activities	Group
Net Banking Income	**2,503**	**730**	**1,453**	**19**	**38**	**4,743**
Change/2Q03	+5.1%	+18.9%	-6.0%	-26.9%	-54.8%	+2.0%
Change/1Q04	+3.4%	+6.1%	-2.8%	n.s.	-25.5%	+2.4%
Operating Expenses and Dep.	-1,544	-446	-826	-6	-18	-2,840
Change/2Q03	+3.7%	+7.2%	-10.7%	-45.5%	-48.6%	-1.3%
Change/1Q04	+2.6%	+1.4%	+0.1%	-33.3%	-41.9%	+1.1%
Gross Operating Income	**959**	**284**	**627**	**13**	**20**	**1,903**
Change/2Q03	+7.4%	+43.4%	+1.1%	-13.3%	-59.2%	+7.2%
Change/1Q04	+4.8%	+14.5%	-6.4%	n.s.	+0.0%	+4.5%
Provisions	-189	0	-7	0	-19	-215
Change/2Q03	-2.1%	n.s.	-95.1%	n.s.	n.s.	-32.4%
Change/1Q04	+5.6%	n.s.	-87.7%	n.s.	+280.0%	-12.2%
Operating Income	**770**	**284**	**620**	**13**	**1**	**1,688**
Change/2Q03	+10.0%	+43.4%	+29.7%	-13.3%	-98.5%	+15.9%
Change/1Q04	+4.6%	+17.4%	+1.1%	n.s.	-93.3%	+7.1%
Associated Companies	35	2	-3	3	26	63
Capital Gains	-3	-2	2	191	19	207
Amortisation of Goodwill	-70	-17	-7	-2	-1	-97
Other Items	0	-1	52	0	-40	11
Pre-Tax Income	**732**	**266**	**664**	**205**	**5**	**1,872**
Change/2Q03	+13.8%	+50.3%	+39.8%	+156.3%	-94.0%	+28.3%
Change/1Q04	+5.0%	+18.8%	+8.1%	-33.4%	-88.6%	-0.8%

In millions of euros	Retail Banking	Asset Mgt & Services	Corp. Inv. Bkg	BNP Paribas Capital	Other Activities	Group
Net Banking Income	**2,503**	**730**	**1,453**	**19**	**38**	**4,743**
2Q03	2,382	614	1,545	26	84	4,651
1Q04	2,420	688	1,495	-23	51	4,631
Operating Expenses and Dep.	-1,544	-446	-826	-6	-18	-2,840
2Q03	-1,489	-416	-925	-11	-35	-2,876
1Q04	-1,505	-440	-825	-9	-31	-2,810
Gross Operating Income	**959**	**284**	**627**	**13**	**20**	**1,903**
2Q03	893	198	620	15	49	1,775
1Q04	915	248	670	-32	20	1,821
Provisions	-189	0	-7	0	-19	-215
2Q03	-193	0	-142	0	17	-318
1Q04	-179	-6	-57	2	-5	-245
Operating Income	**770**	**284**	**620**	**13**	**1**	**1,688**
2Q03	700	198	478	15	66	1,457
1Q04	736	242	613	-30	15	1,576
Associated Companies	35	2	-3	3	26	63
2Q03	26	3	2	0	-5	26
1Q04	25	0	3	0	13	41
Capital Gains	-3	-2	2	191	19	207
2Q03	-3	1	-5	67	44	104
1Q04	-5	-1	-5	339	69	397
Amortisation of Goodwill	-70	-17	-7	-2	-1	-97
2Q03	-74	-18	-4	-3	0	-99
1Q04	-61	-16	-2	-2	-3	-84
Other Items	0	-1	52	0	-40	11
2Q03	-6	-7	4	1	-21	-29
1Q04	2	-1	5	1	-50	-43
Pre-Tax Income	**732**	**266**	**664**	**205**	**5**	**1,872**
2Q03	643	177	475	80	84	1,459
1Q04	697	224	614	308	44	1,887
Minority Interests	**-16**	**0**	**0**	**10**	**-77**	**-83**
Tax Expense						-437
Net Income Group Share						**1,352**

1ST HALF 2004 CORE BUSINESS RESULTS

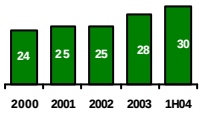
In millions of euros	Retail Banking	Asset Mgt & Services	Corp. Inv. Bkg	BNP Paribas Capital	Other Activities	Group
Net Banking Income	**4,923**	**1,418**	**2,948**	**-4**	**89**	**9,374**
1H03	4,750	1,197	3,103	-1	115	9,164
Change/1H03	+3.6%	+18.5%	-5.0%	n.s.	-22.6%	+2.3%
Operating Expenses and Dep.	-3,049	-886	-1,651	-15	-49	-5,650
1H03	-2,981	-835	-1,823	-19	-75	-5,733
Change/1H03	+2.3%	+6.1%	-9.4%	-21.1%	-34.7%	-1.4%
Gross Operating Income	**1,874**	**532**	**1,297**	**-19**	**40**	**3,724**
1H03	1,769	362	1,280	-20	40	3,431
Change/1H03	+5.9%	+47.0%	+1.3%	-5.0%	+0.0%	+8.5%
Provisions	-368	-6	-64	2	-24	-460
1H03	-361	-3	-316	0	23	-657
Change/1H03	+1.9%	n.s.	-79.7%	n.s.	n.s.	-30.0%
Operating Income	**1,506**	**526**	**1,233**	**-17**	**16**	**3,264**
1H03	1,408	359	964	-20	63	2,774
Change/1H03	+7.0%	+46.5%	+27.9%	-15.0%	-74.6%	+17.7%
Associated Companies	60	2	0	3	39	104
Capital Gains	-8	-3	-3	530	88	604
Amortisation of Goodwill	-131	-33	-9	-4	-4	-181
Other Items	2	-2	57	1	-90	-32
Pre-Tax Income	**1,429**	**490**	**1,278**	**513**	**49**	**3,759**
1H03	1,289	315	958	372	-31	2,903
Change/1H03	+10.9%	+55.6%	+33.4%	+37.9%	n.s.	+29.5%
Minority Interests						-200
1H03						-141
Tax Expense						-944
Net Income, Group Share						**2,615**
ROE after Tax						18.5%

A BALANCED PORTOFOLIO OF GROWING BUSINESSES



EACH OF THE CORE BUSINESSES HIGHLY PROFITABLE THROUGHOUT THE BUSINESS CYCLE

Pre-tax ROE *(in %)*

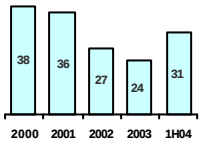


Retail Banking

Continued growth

Average Pre-Tax ROE over the period 2000-1H04

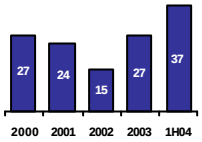
27%



AMS

High level of profitability maintained even during those periods when the market environment was difficult

31%



CIB

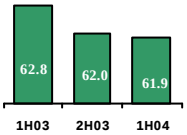
High recurring profitability

27%

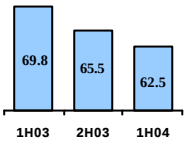
COSTS UNDER CONTROL

The core businesses' cost/income ratios

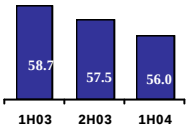
(in %)



Retail Banking



AMS

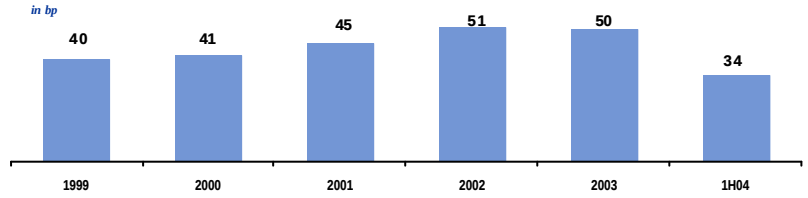


CIB

The Group's cost/income ratio: 60.3% in 1H04, compared to 62.9% for 2003

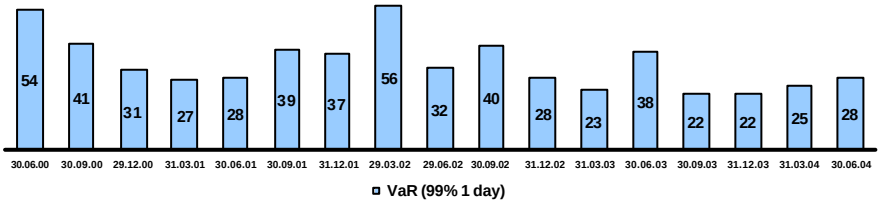
A RIGOROUS CONTROL OF RISKS

Credit risks: 44 bp average cost of risk during the cycle 1999-1H04



Provisions (net) /Risk Weighted Assets

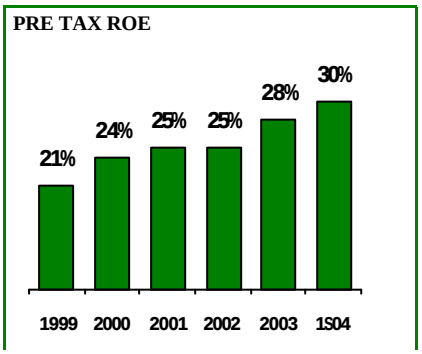
Market risks: conservative policy maintained (limited value at risk - VaR)



RETAIL BANKING

In millions of euros	2Q04	2Q03	2Q04 / 2Q03	1Q04	2Q04 / 1Q04	1H04	1H03	1H04 / 1H03
Net Banking Income	**2,503**	**2,382**	**+5.1%**	**2,420**	**+3.4%**	**4,923**	**4,750**	**+3.6%**
Operating Expenses and Dep.	-1,544	-1,489	+3.7%	-1,505	+2.6%	-3,049	-2,981	+2.3%
Gross Operating Income	**959**	**893**	**+7.4%**	**915**	**+4.8%**	**1,874**	**1,769**	**+5.9%**
Provisions	-189	-193	-2.1%	-179	+5.6%	-368	-361	+1.9%
Operating Income	**770**	**700**	**+10.0%**	**736**	**+4.6%**	**1,506**	**1,408**	**+7.0%**
Amortisation of Goodwill	-70	-74	-5.4%	-61	+14.8%	-131	-148	-11.5%
Other Non Operating Items	32	17	+88.2%	22	+45.5%	54	29	+86.2%
Pre-Tax Income	**732**	**643**	**+13.8%**	**697**	**+5.0%**	**1,429**	**1,289**	**+10.9%**
Cost / Income	61.7%	62.5%	-0.8 pt	62.2%	-0.5 pt	61.9%	62.8%	-0.9 pt
Allocated Equity (Ebn)						9.6	9.3	+3.1%
Pre-Tax ROE						30%	28%	+2 pt

At constant scope and exchange rates	2Q04 / 2Q03	1H04 / 1H03
Net Banking Income	**+4.8%**	**+4.3%**
Operating Expenses and Dep.	+3.3%	+2.5%
Gross Operating Income	**+7.3%**	**+7.2%**
Provisions	-6.7%	-1.6%
Operating Income	**+11.2%**	**+9.5%**
Pre-Tax Income	**+14.6%**	**+12.1%**



Pre-tax ROE Continuing to Rise

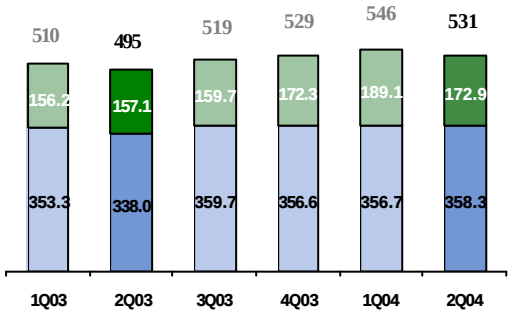
FRENCH RETAIL BANKING

In millions of euros	2Q04	2Q03	2Q04 / 2Q03	1Q04	2Q04 / 1Q04	1H04	1H03	1H04 / 1H03
Net Banking Income	**1,262**	**1,204**	**+4.8%**	**1,258**	**+0.3%**	**2,520**	**2,412**	**+4.5%**
Incl. Commissions	*531*	*495*	*+7.3%*	*546*	*-2.7%*	*1,077*	*1,005*	*+7.2%*
Incl. Interest Margin	*731*	*709*	*+3.1%*	*712*	*+2.7%*	*1,443*	*1,407*	*+2.6%*
Operating Expenses and Dep.	-853	-828	+3.0%	-849	+0.5%	-1,702	-1,655	+2.8%
Gross Operating Income	**409**	**376**	**+8.8%**	**409**	**+0.0%**	**818**	**757**	**+8.1%**
Provisions	-57	-57	+0.0%	-55	+3.6%	-112	-109	+2.8%
Operating Income	**352**	**319**	**+10.3%**	**354**	**-0.6%**	**706**	**648**	**+9.0%**
Non Operating Items	-1	-1	+0.0%	0	n.s.	-1	-5	-80.0%
Pre-Tax Income	**351**	**318**	**+10.4%**	**354**	**-0.8%**	**705**	**643**	**+9.6%**
Income Attributable to AMS	-18	-14	+28.6%	-20	-10.0%	-38	-27	+40.7%
Pre-Tax Income of French Retail Bkg	**333**	**304**	**+9.5%**	**334**	**-0.3%**	**667**	**616**	**+8.3%**
Cost / Income	67.6%	68.8%	-1.2 pt	67.5%	+0.1 pt	67.5%	68.6%	-1.1 pt
Allocated Equity (Ebn)						4.6	4.5	+3.3%
Pre-Tax ROE						29%	28%	+1 pt

Including 100% of French private banking for NBI to Pre-tax Income lines.

? NBI up 4.8% / 2Q03
? Fees up 7.3%
? Gross interest margin: 3.72%* (3.75%* in 1Q04, +5 bp year-on-year)
** one year sliding average*
? Improved cost/income ratio: 67.6% compared to 68.8% in 2Q03
? Cost of risk stable at 32 bp of weighted assets

FEES



100% of the French private banking

% CHANGE 2Q04 / 2Q03

Commissions: +7.3%

Commissions on investment funds and transactions: +10.0%

Other banking transactions: +6.0%

LOANS, DEPOSITS AND FUNDS UNDER MANAGEMENT

In billions of euros	Outstandings 2Q04	% Change 1 year 2Q04/2Q03	% Change 1 quarter 2Q04/1Q04	Outstandings 1H04	% Change 1 year 1H04/1H03
LENDINGS (1)					
Total Loans	74.9	+5.4%	+3.1%	73.8	+3.2%
Individual Customers	36.4	+16.3%	+3.9%	35.7	+15.2%
Incl. Mortgages	30.0	+19.2%	+4.4%	29.4	+18.0%
Incl. Consumer Lending	6.4	+4.1%	+1.3%	6.3	+3.9%
Corporates	35.3	-3.1%	+2.8%	34.8	-6.2%
DEPOSITS and SAVINGS (1)	73.6	+7.3%	+2.0%	72.9	+7.1%
Cheque and Current Accounts	30.2	+7.0%	+2.4%	29.8	+7.4%
Savings Accounts	35.8	+10.0%	+1.7%	35.5	+12.1%
Market Rate Deposits	7.7	-3.1%	+2.1%	7.6	-12.1%
FUNDS UNDER MANAGEMENT (2)					
Life Insurance	38.2	+11.9%	+2.8%	38.2	+11.9%
Mutual Funds (3)	59.1	+4.5%	-1.1%	59.1	+4.5%

(1) Average cash Outstandings (2) Outstandings at the end of the period

(3) These statistics do not include mutual funds assets located in Luxembourg (PARVEST)

SECOND QUARTER 2004: HIGHLIGHTS

? Individual Customers Continued Aggressive Marketing Drive

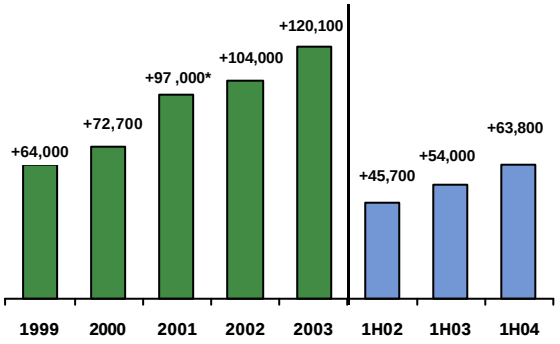
? Life Insurance: new fund inflow +36% / 2Q03

- success of the Retirement Savings Plan (186,700 Financial Savings Plans opened since they were introduced at the end of 2003)

? Lending: very sharp rise in outstandings (+16.3% / 2Q03)

- mortgage lending: +19.2% / 2Q03
- consumer lending: +4.1% / 2Q03
- partnership with Cetelem commenced in April 2004: 43,700 new revolving credit agreements entered into in 2Q04 compared to 21,100 in 1Q04

INCREASED THE NUMBER OF INDIVIDUAL CHEQUE AND DEPOSIT ACCOUNTS



***** Added to which 30,000 accounts were transferred from the Treasury

Continued to expand the customer base

? Corporate Segment New Sales and Marketing Approach

? Confirmation that the network's loans outstandings are growing now (+2.8% / 1Q04)

- New organisation up and running since 30/06/2004

? 24 business centres cover the country

- Business Hotline (dedicated call centre): 15,000 corporate clients use this service

INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

In millions of euros	2Q04	2Q03	2Q04 / 2Q03	1Q04	2Q04 / 1Q04	1H04	1H03	1H04 / 1H03
Net Banking Income	**1,282**	**1,214**	**+5.6%**	**1,204**	**+6.5%**	**2,486**	**2,409**	**+3.2%**
Operating Expenses and Dep.	-714	-684	+4.4%	-678	+5.3%	-1,392	-1,370	+1.6%
Gross Operating Income	**568**	**530**	**+7.2%**	**526**	**+8.0%**	**1,094**	**1,039**	**+5.3%**
Provisions	-132	-136	-2.9%	-124	+6.5%	-256	-252	+1.6%
Operating Income	**436**	**394**	**+10.7%**	**402**	**+8.5%**	**838**	**787**	**+6.5%**
Amortisation of Goodwill	-70	-74	-5.4%	-61	+14.8%	-131	-148	-11.5%
Other Non Operating Items	33	19	+73.7%	22	+50.0%	55	34	+61.8%
Pre-Tax Income	**399**	**339**	**+17.7%**	**363**	**+9.9%**	**762**	**673**	**+13.2%**
Cost / Income	55.7%	56.3%	-0.6 pt	56.3%	-0.6 pt	56.0%	56.9%	-0.9 pt
Allocated Equity (Ebn)						5.0	4.8	+2.9%
Pre-Tax ROE						31%	28%	+3 pt

At constant scope and exchange rates	2Q04 / 2Q03	1H04 / 1H03
Net Banking Income	**+5.0%**	**+4.4%**
Operating Expenses and Dep.	+3.5%	+2.2%
Gross Operating Income	**+7.0%**	**+7.4%**
Provisions	-9.5%	-3.5%
Operating Income	**+12.8%**	**+11.0%**
Pre-Tax Income	**+19.2%**	**+15.6%**

BANCWEST

BancWest and its subsidiaries' contribution to the IRFS core business' results

In millions of euros	2Q04	2Q03	2Q04 / 2Q03	1Q04	2Q04 / 1Q04	1H04	1H03	1H04 / 1H03
Net Banking Income	**385**	**395**	**-2.5%**	**371**	**+3.8%**	**756**	**804**	**-6.0%**
Operating Expenses and Dep.	-184	-195	-5.6%	-175	+5.1%	-359	-397	-9.6%
Gross Operating Income	**201**	**200**	**+0.5%**	**196**	**+2.6%**	**397**	**407**	**-2.5%**
Provisions	-10	-20	-50.0%	-15	-33.3%	-25	-41	-39.0%
Operating Income	**191**	**180**	**+6.1%**	**181**	**+5.5%**	**372**	**366**	**+1.6%**
Amortisation of Goodwill	-34	-37	-8.1%	-33	+3.0%	-67	-77	-13.0%
Other Non Operating Items	-1	-2	-50.0%	0	n.s.	-1	-1	+0.0%
Pre-Tax Income	**156**	**141**	**+10.6%**	**148**	**+5.4%**	**304**	**288**	**+5.6%**
Cost / Income	47.8%	49.4%	-1.6 pt	47.2%	+0.6 pt	47.5%	49.4%	-1.9 pt
Allocated Equity (Ebn)						1.5	1.6	-6.2%
Pre-Tax ROE						41%	36%	+5 pt

At constant scope and exchange rates	2Q04 / 2Q03	1H04 / 1H03
Net Banking Income	**+2.6%**	**+2.8%**
Operating Expenses and Dep.	-0.1%	-0.5%
Gross Operating Income	**+5.3%**	**+6.0%**
Provisions	-49.5%	-33.5%
Operating Income	**+11.4%**	**+10.4%**
Pre-Tax Income	**+15.7%**	**+14.2%**

- NBI: substantial growth in outstandings (loans +8.7%, deposits +11.7% / June 03) partly set off by a deterioration in the margin, at 3.88% (compared to 4.37% in 2Q03 and 3.98% in 1Q04)
- Cost/income ratio: improvement of 1.6 points / 2Q03
- Portfolio quality: NPLs/Loans of 0.52% (0.59% end 2003)

CETELEM

Cetelem and its subsidiaries' contribution to the IRFS core business' results

In millions of euros	2Q04	2Q03	2Q04 / 2Q03	1Q04	2Q04 / 1Q04	1H04	1H03	1H04 / 1H03
Net Banking Income	**428**	**392**	**+9.2%**	**403**	**+6.2%**	**831**	**755**	**+10.1%**
Operating Expenses and Dep.	-223	-200	+11.5%	-214	+4.2%	-437	-391	+11.8%
Gross Operating Income	**205**	**192**	**+6.8%**	**189**	**+8.5%**	**394**	**364**	**+8.2%**
Provisions	-106	-89	+19.1%	-96	+10.4%	-202	-171	+18.1%
Operating Income	**99**	**103**	**-3.9%**	**93**	**+6.5%**	**192**	**193**	**-0.5%**
Amortisation of Goodwill	-11	-13	-15.4%	-11	+0.0%	-22	-26	-15.4%
Other Non Operating Items	32	16	+100.0%	24	+33.3%	56	33	+69.7%
Pre-Tax Income	**120**	**106**	**+13.2%**	**106**	**+13.2%**	**226**	**200**	**+13.0%**
Cost / Income	52.1%	51.0%	+1.1 pt	53.1%	-1.0 pt	52.6%	51.8%	+0.8 pt
Allocated Equity (Ebn)						1.5	1.4	+8.2%
Pre-Tax ROE						30%	29%	+1 pt

At constant scope and exchange rates	2Q04 / 2Q03	1H04 / 1H03
Net Banking Income	**+5.3%**	**+6.2%**
Operating Expenses and Dep.	+5.8%	+5.4%
Gross Operating Income	**+4.7%**	**+7.0%**
Provisions	+6.2%	+7.9%
Operating Income	**+3.4%**	**+6.2%**
Pre-Tax Income	**+15.6%**	**+13.6%**

- Sustained growth in new loans (+15%/1H03) both in France (+9%/1H03) as well as outside France (+20%/1H03)
- Four-fold increase in new loan applications using the Internet in France
- Cost of risk: scope effect due to the full consolidation of new countries (Poland, Brazil and the United Kingdom)

OTHER HIGHLIGTS

BNP Paribas Lease Group

- New leases up 9% in France and 15% outside France

UCB

- 37% growth in new loans / 1H03 (+39% in France and +36% outside France)
- Over 5,000 customers contributed to the FRB network in 1H04 (4,300 in 1H03)

Arval PHH

- Arma (Benelux) consolidation completed

Emerging and Overseas Markets

- Cost/income ratio: 67.2%, a 3.6 point improvement / 1H03

SUBSIDIARIES – CONTRIBUTION TO THE IRFS CORE BUSINESS' RESULTS

in millions of euros	Cetelem	BNP Paribas Lease Group	UCB	Long term Leasing with services	BancWest	OEM	IRFS Center	IRFS
GOI	**394**	**99**	**69**	**79**	**397**	**93**	**-37**	**1,094**
1S03	364	92	65	62	407	80	-31	1,039
1S04/1S03	*+8.2%*	*+7.6%*	*+6.2%*	*+27.4%*	*-2.5%*	*+16.3%*	*+19.4%*	*+5.3%*
Pre-Tax Income	**226**	**69**	**85**	**46**	**304**	**88**	**-56**	**762**
1S03	200	59	83	29	288	63	-49	673
1S04/1S03	*+13.0%*	*+16.9%*	*+2.4%*	*+58.6%*	*+5.6%*	*+39.7%*	*+14.3%*	*+13.2%*

% Change at constant scope and exchange rates

	Cetelem	BancWest	IRFS
GOI			
1H04/1H03	*+7.0%*	*+6.0%*	*+7.4%*
Pre-Tax Income			
1H04/1H03	*+13.6%*	*+14.2%*	*+15.6%*

FINANCIAL SERVICES – MANAGED OUTSTANDINGS

In billions of euros	Jun-04	Jun-03	% change 1 year / june-03	Dec-03	% change 1 half / dec-03
Cetelem	**31.2**	**27.9**	**+11.7%**	**29.0**	**+7.5%**
France (1)	19.2	17.9	+7.5%	17.9	+7.1%
Outside France	11.9	10.0	+19.3%	11.0	+8.1%
BNP Paribas Lease Group MT	**15.8**	**15.6**	**+1.5%**	**15.7**	**+1.0%**
France	12.3	12.5	-1.1%	12.4	-0.9%
Europe (outside France)	3.5	3.1	+11.9%	3.3	+8.2%
UCB Individuals	**17.2**	**15.0**	**+14.9%**	**15.7**	**+9.8%**
France Individuals	9.5	8.9	+6.5%	9.2	+3.7%
Europe (outside France)	7.7	6.0	+27.3%	6.5	+18.4%
Long Term Leasing with Services	**5.4**	**4.3**	**+23.4%**	**4.7**	**+15.1%**
France	1.6	1.4	+14.7%	1.6	+2.8%
Europe (outside France)	3.7	2.9	+27.7%	3.1	+21.4%
ARVAL – PHH					
Total Managed Vehicles (in thousands)	**612**	**607**	**+0.7%**	**600**	**+1.9%**
includind financed vehicles	421	364	+15.4%	387	+8.8%

(1) Including FRB partnership at 30/06/04. At constant scope, outstandings' increase in France : +0.7% / 31/03/04.

ASSET MANAGEMENT AND SERVICES

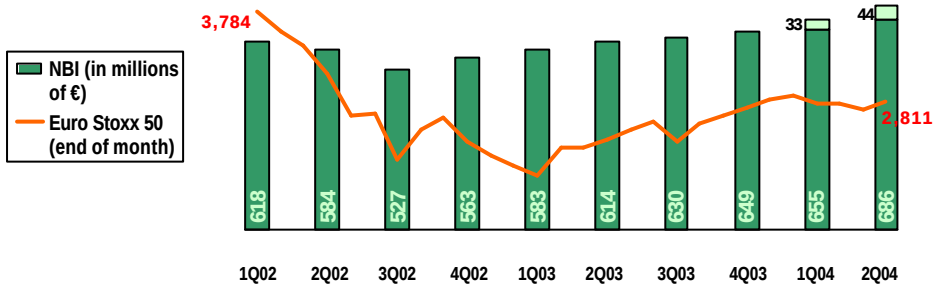
In millions of euros	2Q04	2Q03	2Q04 / 2Q03	1Q04	2Q04 / 1Q04	1H04	1H03	1H04 / 1H03
Net Banking Income	**730**	**614**	**+18.9%**	**688**	**+6.1%**	**1,418**	**1,197**	**+18.5%**
Operating Expenses and Dep.	-446	-416	+7.2%	-440	+1.4%	-886	-835	+6.1%
Gross Operating Income	**284**	**198**	**+43.4%**	**248**	**+14.5%**	**532**	**362**	**+47.0%**
Provisions	0	0	n.s.	-6	n.s.	-6	-3	n.s.
Operating Income	**284**	**198**	**+43.4%**	**242**	**+17.4%**	**526**	**359**	**+46.5%**
Amortisation of Goodwill	-17	-18	-5.6%	-16	+6.3%	-33	-36	-8.3%
Other Non Operating Items	-1	-3	-66.7%	-2	-50.0%	-3	-8	-62.5%
Pre-Tax Income	**266**	**177**	**+50.3%**	**224**	**+18.8%**	**490**	**315**	**+55.6%**
Cost / Income	61.1%	67.8%	-6.7 pt	64.0%	-2.9 pt	62.5%	69.8%	-7.3 pt
Allocated Equity (Ebn)						3.2	2.9	+7.9%
Pre-Tax ROE						31%	21%	+10 pt

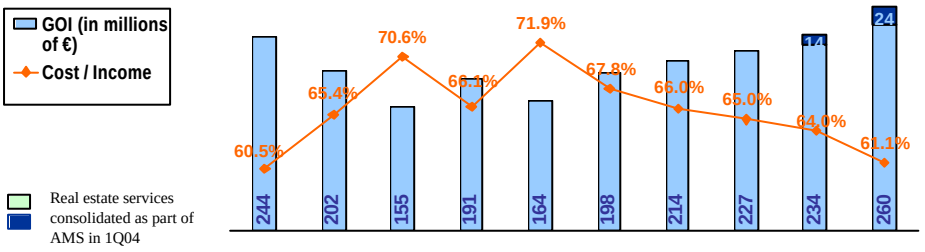
Pre-tax ROE based on allocated equity including, in addition to 6% of risk weighted assets, additional amounts adapted to the nature of each core business.

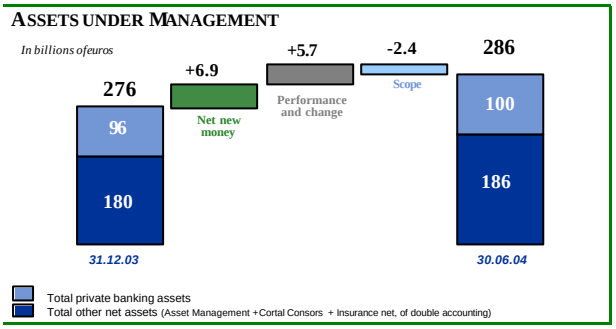
At constant scope and exchange rates	2Q04 / 2Q03	1H04 / 1H03
Net Banking Income	**+11.1%**	**+11.5%**
Operating Expenses and Dep.	+1.8%	+1.5%
Gross Operating Income	**+29.7%**	**+34.2%**
Provisions	n.s.	x0,5
Operating Income	**+30.2%**	**+34.0%**
Pre-Tax Income	**+38.4%**	**+43.1%**

Scope effect 2Q04: consolidated the Group's real estate businesses, previously reflected in "other businesses" operations

RETURN TO A HIGH LEVEL OF INCOME AND PROFITABILITY IN A LACKLUSTRE MARKET







Net assets gathered 1S04: +€6.9 bn
(+5.0%* of assets under management)
** Annualised rate*

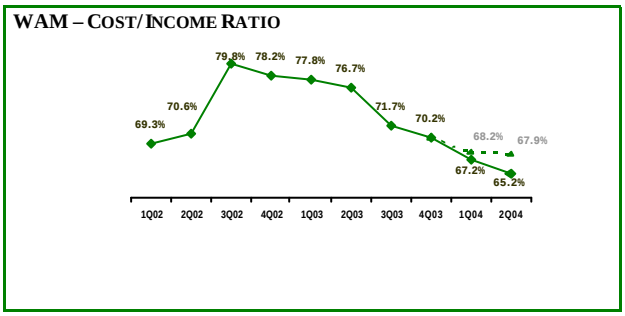
WEALTH AND ASSET MANAGEMENT

Wealth and Asset Management = Private Banking + Asset Management + Cortal Consors + Real Estate Services

In millions of euros	2Q04	2Q03	2Q04 / 2Q03	1Q04	2Q04 / 1Q04	1H04	1H03	1H04 / 1H03
Net Banking Income	**356**	**275**	**+29.5%**	**341**	**+4.4%**	**697**	**545**	**+27.9%**
Operating Expenses and Dep.	-232	-211	+10.0%	-229	+1.3%	-461	-421	+9.5%
Gross Operating Income	**124**	**64**	**+93.8%**	**112**	**+10.7%**	**236**	**124**	**+90.3%**
Provisions	3	0	n.s.	-5	n.s.	-2	-3	-33.3%
Operating Income	**127**	**64**	**+98.4%**	**107**	**+18.7%**	**234**	**121**	**+93.4%**
Amortisation of Goodwill	-9	-8	+12.5%	-9	+0.0%	-18	-17	+5.9%
Other Non Operating Items	2	-4	n.s.	0	n.s.	2	-7	n.s.
Pre-Tax Income	**120**	**52**	**+130.8%**	**98**	**+22.4%**	**218**	**97**	**+124.7%**
Cost / Income	65.2%	76.7%	-11.5 pt	67.2%	-2.0 pt	66.1%	77.2%	-11.1 pt
Allocated Equity (Ebn)						1.0	0.8	+14.2%

At constant scope and exchange rates	2Q04 / 2Q03	1H04 / 1H03
Net Banking Income	**+13.6%**	**+14.2%**
Operating Expenses and Dep.	-0.1%	+0.2%
Gross Operating Income	**+54.0%**	**+57.6%**

Scope effect 2Q04: consolidated the Group's real estate businesses, previously reflected in "other businesses" operations (NBI: +€44mn and Operating Expenses and Depreciation: +€20mn)



? Highly positive jaws effect:
? Continued rise in NBI
? Operating expenses and depreciation stabilised at constant scope and exchange rates

? Continued improvement in the cost/income ratio since 3Q02

? Cortal Consors:

? Substantial growth in AUM: €15.4bn, +29% / 30 june 03

? Increase in stock market activity during first half of the year (3.9 million orders, +18% /1H03) despite a slowdown in the 2nd quarter

? Expanded the customer base: 40,400 during the first half of the year, including 18,000 in 2Q04

? Acquired a network of independent advisors in Italy

? Private Banking

? Good business in 1st half of the year in France and abroad

? Asset Management

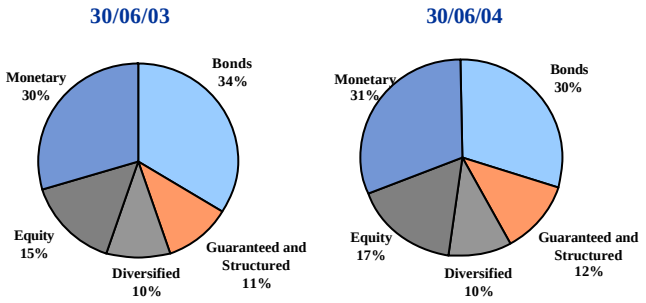
? Sharp growth in the sale of alternative product solutions and emerging markets:

? AUM: €13.1bn, up 48% / 2Q03 and +16% / 1Q04

? Created a European leader in multimanagement services: linkup between BNP PAM and Cortal Consors Fund Management

- over €11bn in AUM

ASSET MANAGEMENT BUSINESS – BREAKDOWN OF AUM



? Real Estate services

? 1st consolidation of Atis Real International in 2Q04 (through the equity method)

? brisk business:

-property management: 5.3 million m² of office space under management (+12% / 1H03)

? residential properties: pre-sales up 16% / 1H03

INSURANCE

In millions of euros	2Q04	2Q03	2Q04 / 2Q03	1Q04	2Q04 / 1Q04	1H04	1H03	1H04 / 1H03
Net Banking Income	**209**	**180**	**+16.1%**	**197**	**+6.1%**	**406**	**344**	**+18.0%**
Operating Expenses and Dep.	-93	-86	+8.1%	-94	-1.1%	-187	-173	+8.1%
Gross Operating Income	**116**	**94**	**+23.4%**	**103**	**+12.6%**	**219**	**171**	**+28.1%**
Provisions	-3	0	n.s.	-1	n.s.	-4	0	n.s.
Operating Income	**113**	**94**	**+20.2%**	**102**	**+10.8%**	**215**	**171**	**+25.7%**
Non Operating Items	-5	3	n.s.	-4	+25.0%	-9	2	n.s.
Pre-Tax Income	**108**	**97**	**+11.3%**	**98**	**+10.2%**	**206**	**173**	**+19.1%**
Cost / Income	44.5%	47.8%	-3.3 pt	47.7%	-3.2 pt	46.1%	50.3%	-4.2 pt
Allocated Equity (Ebn)						2.0	1.8	+11.0%

? Pursued Aggressive Strategy:

? €1bn in gross premiums collected on average each month since the beginning of the year

? France: gained 1% market share since the beginning of the year , rising to 8.5%

-Substantial savings inflows:+30% / 2Q03

-portion of unit-linked insurance products (29% in 1H04) still higher than market (21% in 1H04)

? Outside France: substantial fund inflows (+48% / 2Q03)

SECURITIES SERVICES

In millions of euros	2Q04	2Q03	2Q04 / 2Q03	1Q04	2Q04 / 1Q04	1H04	1H03	1H04 / 1H03
Net Banking Income	**165**	**159**	**+3.8%**	**150**	**+10.0%**	**315**	**308**	**+2.3%**
Operating Expenses and Dep.	-121	-119	+1.7%	-117	+3.4%	-238	-241	-1.2%
Gross Operating Income	**44**	**40**	**+10.0%**	**33**	**+33.3%**	**77**	**67**	**+14.9%**
Provisions	0	0	n.s.	0	n.s.	0	0	n.s.
Operating Income	**44**	**40**	**+10.0%**	**33**	**+33.3%**	**77**	**67**	**+14.9%**
Amortisation of Goodwill	-5	-7	-28.6%	-4	+25.0%	-9	-13	-30.8%
Other Non Operating Items	-1	-5	-80.0%	-1	+0.0%	-2	-9	-77.8%
Pre-Tax Income	**38**	**28**	**+35.7%**	**28**	**+35.7%**	**66**	**45**	**+46.7%**
Cost / Income	73.3%	74.8%	-1.5 pt	78.0%	-4.7 pt	75.6%	78.2%	-2.6 pt
Allocated Equity (Ebn)						0.2	0.3	-29.0%

? NBI: +3.8% despite a difficult market environment

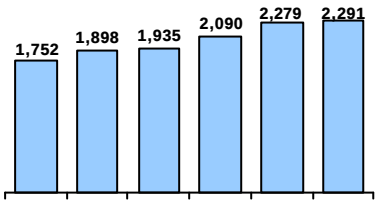
? rise in assets under custody: +21% / 30 june 2003

? slump in the number of transactions (-4% /2Q03) and continued pressure on margins

? Rebound of the GOI thanks to effective cost control

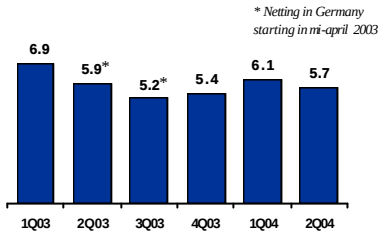
ASSETS UNDER CUSTODY (end of the period)

In billions of euros



NUMBER OF TRANSACTIONS

In millions of transactions



Netting in Germany starting in mid-April 2003

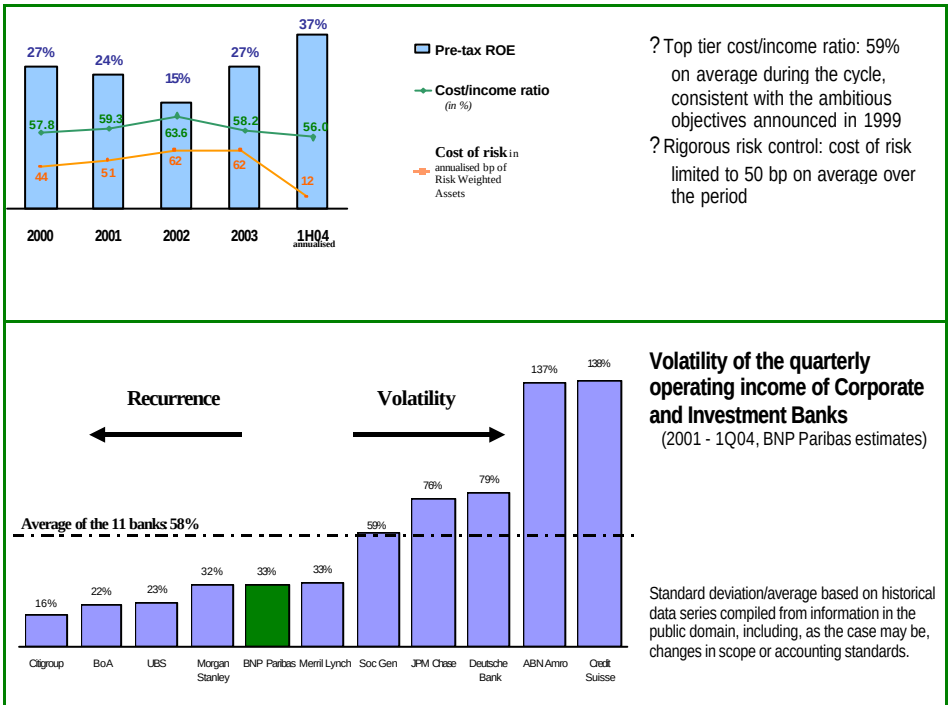
CORPORATE AND INVESTMENT BANKING

In millions of euros	2Q04	2Q03	2Q04 / 2Q03	1Q04	2Q04 / 1Q04	1H04	1H03	1H04 / 1H03
Net Banking Income	**1,453**	**1,545**	**-6.0%**	**1,495**	**-2.8%**	**2,948**	**3,103**	**-5.0%**
*Incl. Trading Revenues**	*828*	*970*	*-14.6%*	*839*	*-1.3%*	*1,667*	*1,968*	*-15.3%*
Operating Expenses and Dep.	-826	-925	-10.7%	-825	+0.1%	-1,651	-1,823	-9.4%
Gross Operating Income	**627**	**620**	**+1.1%**	**670**	**-6.4%**	**1,297**	**1,280**	**+1.3%**
Provisions	-7	-142	-95.1%	-57	-87.7%	-64	-316	-79.7%
Operating Income	**620**	**478**	**+29.7%**	**613**	**+1.1%**	**1,233**	**964**	**+27.9%**
Amortisation of Goodwill	-7	-4	+75.0%	-2	n.s.	-9	-9	+0.0%
Other Non Operating Items	51	1	n.s.	3	n.s.	54	3	n.s.
Pre-Tax Income	**664**	**475**	**+39.8%**	**614**	**+8.1%**	**1,278**	**958**	**+33.4%**
Cost / Income	56.8%	59.9%	-3.1 pt	55.2%	+1.6 pt	56.0%	58.7%	-2.7 pt
Allocated Equity (Ebn)						6.9	7.0	-2.5%
Pre-Tax ROE						37%	27%	+10 pt

** Including customer activity and related revenues*

? NBI: revenues close to their 2Q03 and 1Q04 levels, despite market conditions
? GOI Maintained
- ? very good cost control
- ? improved cost/income ratio (56.8%)
- ? BNP Paribas's competitive position strengthened

? Cost of Risk
- ? the general provision for Europe went unused (€235mn)
- ? continued the write-back announced of the general reserve for the US (USD 12mn, unallocated balanced as at 30/06/04: USD 48mn)



ADVISORY AND CAPITAL MARKET

In millions of euros	2Q04	2Q03	2Q04 / 2Q03	1Q04	2Q04 / 1Q04	1H04	1H03	1H04 / 1H03
Net Banking Income	**896**	**1,055**	**-15.1%**	**913**	**-1.9%**	**1,809**	**2,117**	**-14.5%**
Operating Expenses and Dep.	-583	-684	-14.8%	-587	-0.7%	-1,170	-1,345	-13.0%
Gross Operating Income	**313**	**371**	**-15.6%**	**326**	**-4.0%**	**639**	**772**	**-17.2%**
Provisions	-7	0	n.s.	1	n.s.	-6	8	n.s.
Operating Income	**306**	**371**	**-17.5%**	**327**	**-6.4%**	**633**	**780**	**-18.8%**
Non Operating Items	10	-3	n.s.	-4	n.s.	6	3	n.s.
Pre-Tax Income	**316**	**368**	**-14.1%**	**323**	**-2.2%**	**639**	**783**	**-18.4%**
Cost / Income	65.1%	64.8%	+0.3 pt	64.3%	+0.8 pt	64.7%	63.5%	+1.2 pt
Allocated Equity (Ebn)						2.6	2.6	+0.6%

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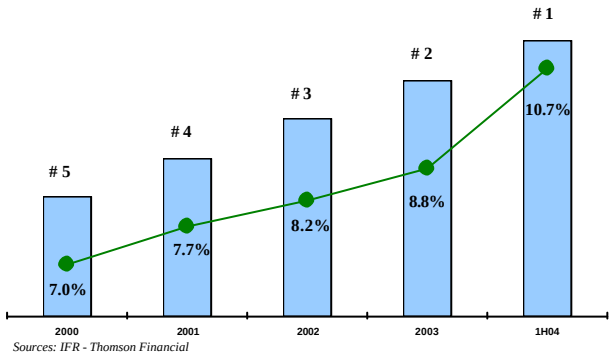
? Revenues and incomes close to those in 1Q04 despite a less favourable market climate

? Partnership with Exane effective 14 April: corresponding Equity Cash operations now treated using the equity method



Sources: IFR - Thomson Financial

All bonds in euros for Corporates, bookrunner
Market share & ranking

A Stronger Leading Position in the Eurobond Market

STRENGTHENING THE FRANCHISE (1H04 LEAGUE TABLES)

- **Fixed Income** ***(bookrunners)***
  - → **World-wide**
    - #1 for corporate bonds in euros
    - #5 for Investment grade bonds in euros
- **Structured Finance**
  - → **Europe, Middle East & Africa**
    - #1 syndicated credit bookrunner
  - → **World-wide**
    - #5 syndicated credit bookrunner
    - #2 project finance lead arranger
- **Mergers & acquisitions** ***(completed deals by amount)***
    - #1 in France
    - #7 in Europe

Sources: IFR – Thomson Financial

FINANCING BUSINESSES

In millions of euros	2Q04	2Q03	2Q04 / 2Q03	1Q04	2Q04 / 1Q04	1H04	1H03	1H04 / 1H03
Net Banking Income	**557**	**490**	**+13.7%**	**582**	**-4.3%**	**1,139**	**986**	**+15.5%**
Operating Expenses and Dep.	-243	-241	+0.8%	-238	+2.1%	-481	-478	+0.6%
Gross Operating Income	**314**	**249**	**+26.1%**	**344**	**-8.7%**	**658**	**508**	**+29.5%**
Provisions	0	-142	n.s.	-58	n.s.	-58	-324	-82.1%
Operating Income	**314**	**107**	**x2,9**	**286**	**+9.8%**	**600**	**184**	**x3,3**
Non Operating Items	34	0	n.s.	5	n.s.	39	-9	n.s.
Pre-Tax Income	**348**	**107**	**x3,2**	**291**	**+19.6%**	**639**	**175**	**x3,7**
Cost / Income	43.6%	49.2%	-5.6 pt	40.9%	+2.7 pt	42.2%	48.5%	-6.3 pt
Allocated Equity (Ebn)						4.2	4.4	-4.3%

? Revenues up 13.7% / 2Q03
  ? good performance in all business lines

? BNP Paribas named Best Commodity Bank 2004 by Trade Finance Magazine

VaR (1 day – 99%) by type of risk

In millions of euros	31-Dec-01	29-Mar-02	28-June-02	30-Sept-02	31-Dec-02	31-Mar-03	30-June-03	30-Sept-03	31-Dec-03	31-Mar-04	30-June-04
Commodities	1	1	1	1	2	3	3	3	2	2	**2**
Change	8	3	4	3	3	2	1	2	3	2	**3**
Equities	10	7	26	33	27	21	12	17	13	14	**18**
Interest rate	35	58	26	36	24	25	43	23	26	18	**24**
Credit									13	14	**12**
Netting	-17	-13	-25	-33	-28	-28	-21	-23	-35	-25	**-31**
Total VaR	**37**	**56**	**32**	**40**	**28**	**23**	**38**	**22**	**22**	**25**	**28**

Last market trading day of the period

Inclusion in 4Q03 of "credit" risk, previously included and netted in the "interest rate" risk

BNP PARIBAS CAPITAL

In millions of euros	2Q04	2Q03	1Q04	1H04	1H03
Net Capital Gains	**191**	**67**	**339**	**530**	**397**
Other Net Income	20	24	-22	-2	-6
Operating Expenses and Dep	-6	-11	-9	-15	-19
Pre-Tax Income	**205**	**80**	**308**	**513**	**372**

- Continued disinvestments:
- principal disposals during the quarter: Cobepa and Diana

- Portfolio Value:
- estimated value: €3.5bn (€4.1bn as at 31/03/04)
- unrealised capital gains: €1.1bn (€1.3bn as at 31/03/04)

BALANCE SHEET ITEMS

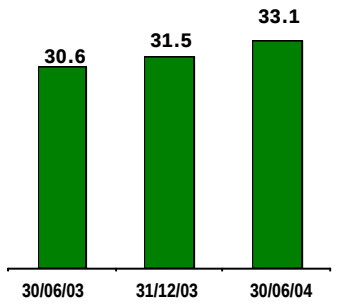
In billions of euros	30-Jun-04	31-Mar-04	31-Dec-03
Shareholders Equity, Group Share	27.5	27.4	27.1
Net Unrealised Capital Gains	2.1	2.3	2.1
Total Capital ratio (a,b)	11.4%	12.2%	12.9%
Tier One ratio (a,b)	8.4%	8.9%	9.4%
Doubtful Customers	13.6	14.1	14.1
Specific Provisions	9.2	9.4	9.4
Specific Provisions/ Doubtful Customers (1)	68%	67%	67%
Reserve for General Banking Risks	0.8	0.8	0.8
In millions of euros	2Q04	1Q04	4Q03
Value at Risk 1 day 99% (end of period)	28	25	22
Average Quarterly Value at Risk (1day 99%)	40	31	34

(1) The calculation of the Coverage rate takes into account only Specific Provisions, excluding General Provisions, Reserve for Country risks and Reserve for General Banking Risk
(a) Estimates
(b) based on estimated Risk Weighted Assets of E 308,0 bn as at 30 June 2004

NUMBEROF SHARE

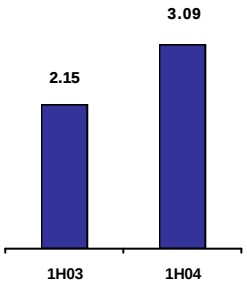
	1H03	2003	1H04
Number of Shares (end of period)	895.9	903.2	878.6
Number of Shares excluding Treasury Shares (end of period)	869.9	858.4	832.5
Average number of Shares outstanding excluding Treasury Shares	869.0	872.0	847.6
Earning Per Share (EPS)	2.15	4.31	3.09
Diluted Earning Per Share (Diluted EPS)	2.12	4.28	3.07

BOOK VALUE PER SHARE*
(in euros)



* Book value (not re-evaluated and after dividends) divided by the numbers of shares outstanding

HALF YEARLY EARNINGS PER SHARE UP 43.7%**
(in euros)



** Undiluted EPS calculated based on the number of shares outstanding

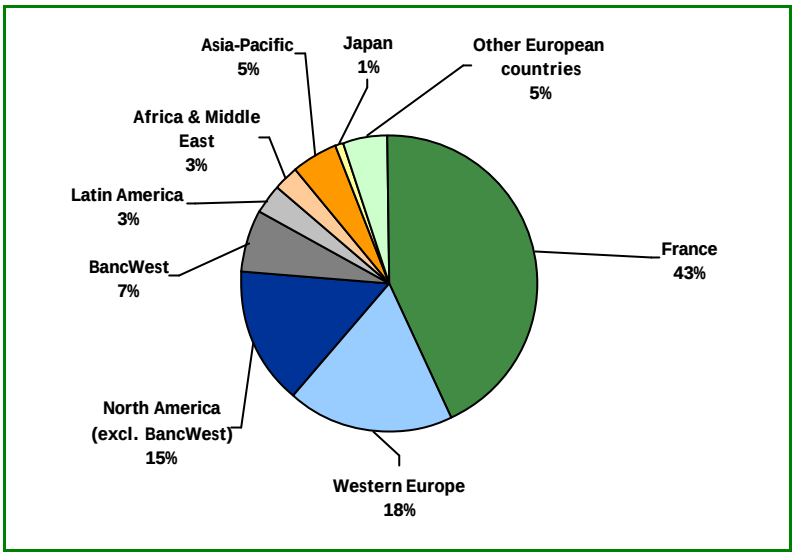
RATINGS

S&P	**AA**	**Stable outlook**	**Rating upgraded to AA on 06/07/04**
Moodys	Aa2	Stable outlook	Rating upgraded to AA2 on 19/02/2002
Fitch	AA	Stable outlook	Rating upgraded to AA on 28/11/2001

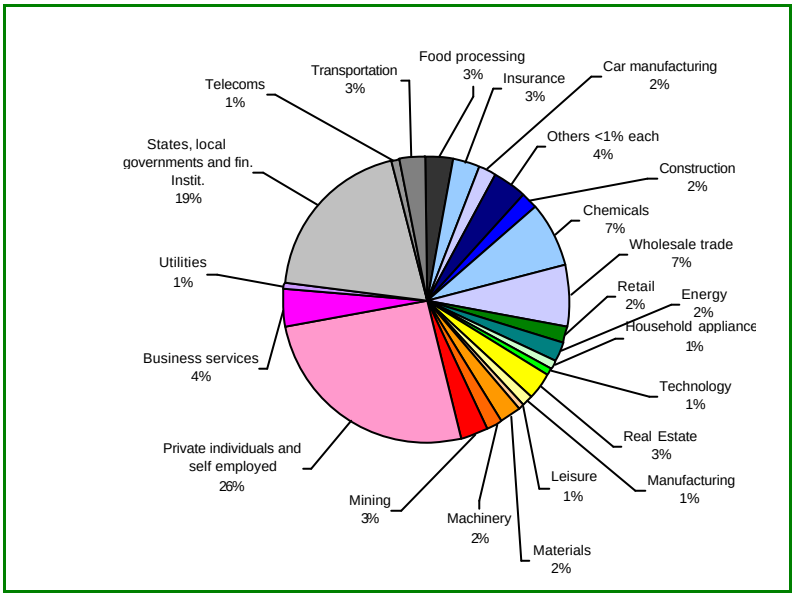
BREAKDOWN OF COMMITMENTS

Gross Credits+Off-Balance sheet commitments, unweighted : €447bn as at 30/06/04

GEOGRAPHIC BREAKDOWN



BREAKDOWN BY INDUSTRY



RESULT HISTORY OF THE CORE BUSINESSES

In millions of euros	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04
RETAIL BANKING						
Net Banking Income	**2,368**	**2,382**	**2,439**	**2,447**	**2,420**	**2,503**
Operating Expenses and Dep.	-1,492	-1,489	-1,509	-1,521	-1,505	-1,544
Gross Operating Income	**876**	**893**	**930**	**926**	**915**	**959**
Provisions	-168	-193	-189	-204	-179	-189
Operating Income	**708**	**700**	**741**	**722**	**736**	**770**
Non Operating Items	-62	-57	-57	-47	-39	-38
Pre-Tax Income	**646**	**643**	**684**	**675**	**697**	**732**
FRENCH RETAIL BANKING (including 2/3 of Private Banking in France)						
Net Banking Income	**1,173**	**1,168**	**1,196**	**1,196**	**1,216**	**1,221**
Operating Expenses and Dep.	-806	-805	-827	-828	-827	-830
Gross Operating Income	**367**	**363**	**369**	**368**	**389**	**391**
Provisions	-52	-57	-48	-68	-55	-57
Operating Income	**315**	**306**	**321**	**300**	**334**	**334**
Non Operating Items	-3	-2	1	2		-1
Pre-Tax Income	**312**	**304**	**322**	**302**	**334**	**333**
INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES						
Net Banking Income	**1,195**	**1,214**	**1,243**	**1,251**	**1,204**	**1,282**
Operating Expenses and Dep.	-686	-684	-682	-693	-678	-714
Gross Operating Income	**509**	**530**	**561**	**558**	**526**	**568**
Provisions	-116	-136	-141	-136	-124	-132
Operating Income	**393**	**394**	**420**	**422**	**402**	**436**
Non Operating Items	-59	-55	-58	-49	-39	-37
Pre-Tax Income	**334**	**339**	**362**	**373**	**363**	**399**
BANCWEST						
Net Banking Income	**409**	**395**	**408**	**380**	**371**	**385**
Operating Expenses and Dep.	-202	-195	-191	-176	-175	-184
Gross Operating Income	**207**	**200**	**217**	**204**	**196**	**201**
Provisions	-21	-20	-22	-12	-15	-10
Operating Income	**186**	**180**	**195**	**192**	**181**	**191**
Non Operating Items	-39	-39	-41	-35	-33	-35
Pre-Tax Income	**147**	**141**	**154**	**157**	**148**	**156**
CETELEM						
Net Banking Income	**363**	**392**	**401**	**409**	**403**	**428**
Operating Expenses and Dep.	-191	-200	-203	-217	-214	-223
Gross Operating Income	**172**	**192**	**198**	**192**	**189**	**205**
Provisions	-82	-89	-98	-92	-96	-106
Operating Income	**90**	**103**	**100**	**100**	**93**	**99**
Non Operating Items	4	3	11	16	13	21
Pre-Tax Income	**94**	**106**	**111**	**116**	**106**	**120**

In millions of euros	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04
ASSETS MANAGEMENT AND SERVICES						
Net Banking Income	**583**	**614**	**630**	**649**	**688**	**730**
Operating Expenses and Dep.	-419	-416	-416	-422	-440	-446
Gross Operating Income	**164**	**198**	**214**	**227**	**248**	**284**
Provisions	-3	0	-2	-11	-6	0
Operating Income	**161**	**198**	**212**	**216**	**242**	**284**
Non Operating Items	-23	-21	-7	-13	-18	-18
Pre-Tax Income	**138**	**177**	**205**	**203**	**224**	**266**
WEALTH AND ASSET MANAGEMENT *						
Net Banking Income	**270**	**275**	**293**	**305**	**341**	**356**
Operating Expenses and Dep.	-210	-211	-210	-214	-229	-232
Gross Operating Income	**60**	**64**	**83**	**91**	**112**	**124**
Provisions	-3	0	-3	-6	-5	3
Operating Income	**57**	**64**	**80**	**85**	**107**	**127**
Non Operating Items	-12	-12	-1	-11	-9	-7
Pre-Tax Income	**45**	**52**	**79**	**74**	**98**	**120**
INSURANCE						
Net Banking Income	**164**	**180**	**188**	**201**	**197**	**209**
Operating Expenses and Dep.	-87	-86	-88	-91	-94	-93
Gross Operating Income	**77**	**94**	**100**	**110**	**103**	**116**
Provisions	0	0	1	-5	-1	-3
Operating Income	**77**	**94**	**101**	**105**	**102**	**113**
Non Operating Items	-1	3	2	10	-4	-5
Pre-Tax Income	**76**	**97**	**103**	**115**	**98**	**108**
SECURITIES SERVICES						
Net Banking Income	**149**	**159**	**149**	**143**	**150**	**165**
Operating Expenses and Dep.	-122	-119	-118	-117	-117	-121
Gross Operating Income	**27**	**40**	**31**	**26**	**33**	**44**
Provisions	0	0	0	0	0	0
Operating Income	**27**	**40**	**31**	**26**	**33**	**44**
Non Operating Items	-10	-12	-8	-12	-5	-6
Pre-Tax Income	**17**	**28**	**23**	**14**	**28**	**38**

* including Real Estate Services from 1Q04

In millions of euros	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04
CORPORATE AND INVESTMENT BANKING						
Net Banking Income	**1558**	**1545**	**1389**	**1326**	**1495**	**1453**
Incl. Trading Revenues*	998	970	769	719	839	828
Operating Expenses and Dep.	-898	-925	-810	-751	-825	-826
Gross Operating Income	**660**	**620**	**579**	**575**	**670**	**627**
Provisions	-174	-142	-168	-149	-57	-7
Operating Income	**486**	**478**	**411**	**426**	**613**	**620**
Non Operating Items	-3	-3	88	-4	1	44
Pre-Tax Income	**483**	**475**	**499**	**422**	**614**	**664**
ADVISORY AND CAPITAL MARKETS						
Net Banking Income	**1,062**	**1,055**	**891**	**827**	**913**	**896**
Operating Expenses and Dep.	-661	-684	-568	-494	-587	-583
Gross Operating Income	**401**	**371**	**323**	**333**	**326**	**313**
Provisions	8	0	1	-9	1	-7
Operating Income	**409**	**371**	**324**	**324**	**327**	**306**
Non Operating Items	6	-3	105	-6	-4	10
Pre-Tax Income	**415**	**368**	**429**	**318**	**323**	**316**
FINANCING BUSINESSES						
Net Banking Income	**496**	**490**	**498**	**499**	**582**	**557**
Operating Expenses and Dep.	-237	-241	-242	-257	-238	-243
Gross Operating Income	**259**	**249**	**256**	**242**	**344**	**314**
Provisions	-182	-142	-169	-140	-58	0
Operating Income	**77**	**107**	**87**	**102**	**286**	**314**
Non Operating Items	-9	0	-17	2	5	34
Pre-Tax Income	**68**	**107**	**70**	**104**	**291**	**348**

* Including customer activity and related revenues

In millions of euros	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04
BNP PARIBAS CAPITAL						
Net Banking Income	**-27**	**26**	**-6**	**-27**	**-23**	**19**
Operating Expenses and Dep.	-8	-11	-10	-10	-9	-6
Gross Operating Income	**-35**	**15**	**-16**	**-37**	**-32**	**13**
Provisions	0	0	0	-3	2	0
Operating Income	**-35**	**15**	**-16**	**-40**	**-30**	**13**
Non Operating Items	327	65	135	45	338	192
Pre-Tax Income	**292**	**80**	**119**	**5**	**308**	**205**
OTHER ACTIVITIES *						
Net Banking Income	**31**	**84**	**-72**	**-4**	**51**	**38**
Operating Expenses and Dep.	-40	-35	-42	-61	-31	-18
Gross Operating Income	**-9**	**49**	**-114**	**-65**	**20**	**20**
Provisions	6	17	9	13	-5	-19
Operating Income	**-3**	**66**	**-105**	**-52**	**15**	**1**
Non Operating Items	-112	18	16	12	29	4
Pre-Tax Income	**-115**	**84**	**-89**	**-40**	**44**	**5**
GROUP						
Net Banking Income	**4,513**	**4,651**	**4,380**	**4,391**	**4,631**	**4,743**
Operating Expenses and Dep.	-2,857	-2,876	-2,787	-2,765	-2,810	-2,840
Gross Operating Income	**1,656**	**1,775**	**1,593**	**1,626**	**1,821**	**1,903**
Provisions	-339	-318	-350	-354	-245	-215
Operating Income	**1,317**	**1,457**	**1,243**	**1,272**	**1,576**	**1,688**
Non Operating Items	127	2	175	-7	311	184
Pre-Tax Income	**1,444**	**1,459**	**1,418**	**1,265**	**1,887**	**1,872**

* excluding Real Estate Services from 1Q04

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Information in relation to the 3rd quarter 2004

BNP PARIBAS

Paris, 4 November 2004

BNP PARIBAS GROUP

THIRD QUARTER 2004 RESULTS

NET BANKING INCOME: €4,531MN (+3.4%)

GROSS OPERATING INCOME: €1,705MN (+7.0%)

OPERATING INCOME (AFTER COST OF RISK): €1,589MN (+27.8%)

NET INCOME GROUP SHARE: €1,101MN (+13.5%)

- **The Retail Banking businesses continued to enjoy regular growth, in the French banking network as well as in financial services and internationally despite the fall in the dollar.**
- **The Asset Management and Services core business further extended the buoyant growth in its operating income despite lacklustre financial markets.**
- **Corporate and Investment Banking managed almost to maintain its gross operating income in a mediocre environment and derived the full benefit of a declining cost of risk.**

FIRST NINE MONTHS OF 2004:

NET INCOME GROUP SHARE: €3,716MN (+31.1%)

ANNUALISED ROE AFTER-TAX: 17.7% (+3.6 points)

On 3 November 2004, the Board of Directors of BNP Paribas, in a meeting chaired by Michel Pébereau, examined the Group's results for the third quarter and for the first nine months of the year.

OPERATING INCOME UP 27.8% COMPARED TO THE THIRD QUARTER 2003.

In the third quarter 2004, the environment for banking and financial services remained pretty mixed: e.g. the slowdown in economic growth and the drop in the capital market business starting in August weighed in on revenues while there was confirmation of the improved quality of borrowers' credit, which was already evident since the beginning of the year.

Given this situation, BNP Paribas Group managed to grow its net banking income 3.4% compared to the third quarter 2003, bringing it to 4,531 million euros.

Operating expenses and depreciation remain contained at 2,826 million euros (+1.4%) and gross operating income reached 1,705 million euros, up 7.0% compared to the third quarter 2003.

The cost of risk was 116 million euros, down substantially (-66.9%), such that gross operating income rose 27.8% compared to the third quarter 2003, to 1,589 million euros.

The amount of capital gains realised by the Group in the third quarter 2004 (173 million euros) was largely below their level in the third quarter 2003 (423 million euros). Net income group share was 1,101 million euros (+13.5% compared to the third quarter 2003).

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For the first nine months of 2004, the net income group share rose 31.1% to 3.7 billion euros. The after-tax return on equity was 17.7% and the 61.0% cost/income ratio improved 1.9 percentage points compared to the same period last year (62.9%).

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Each of the Group's three core businesses contributed to this good performance.

Retail Banking.

The Retail Banking businesses continued to grow. In the third quarter of the year, gross operating income rose 3.9% compared to the third quarter 2003, to 966 million euros.

After cost of risk, down 15.3%, operating income (806 million euros) was up 8.8% and pre-tax income (779 million euros) grew 13.9%.

For the first nine months of the year, Retail Banking's return on equity rose two percentage points to 30%.

French Retail Banking (FRB).

The retail network in France ([1]), net banking income was up 4.0% at 1,284 million euros compared to the third quarter 2003: the interest margin edged up 2.5% and fees 6.0%. The 3.3% rise in operating expenses and depreciation helped drive up gross operating income (+5.4%) to 407 million euros.

The rise in outstanding loans, reported in the first half of the year, was amplified in the third quarter compared to the same period last year, mainly for loans to individual customers (+18.2%) but also for business loans (+4.5%). On the whole, all loans outstanding rose 10.4% compared to the third quarter 2003.

The network grew the number of individual accounts by 106,900 net in the first nine months of the year. There were highly substantial net fund inflows in life-insurance policies this quarter, resulting in a 12.7% year-on-year rise in assets.

The cost of risk (50 million euros, +4.2%) remains moderate as in previous quarters. After sharing French Private Banking's income with the Asset Management and Services core business, French Retail Banking's pre-tax income rose 6.5% to 343 million euros.

In the first nine months of the year, the retail network in France improved its cost/income ratio by 0.9 percentage points at 67.8% and French Retail Banking posted 29% pre-tax return on equity, up 1 point.

International Retail Banking and Financial Services (IRFS).

The IRFS business line's business continued to enjoy robust growth outside France and its pre-tax income grew rapidly: +20.4% compared to the third quarter 2003.

Cetelem extended its rapid expansion outside France where outstandings, as at 30 September, grew 18.2% year-on-year. In France, where margins tend to deteriorate, the partnership with French Retail Banking is providing a new source of growth. On the whole, Cetelem's net banking income rose 7.0% compared to the third quarter 2003, to 429 million euros, its operating income 9.0% and its pre-tax income 24.3% to 138 million euros.

BancWest continued to grow its outstanding loans (+10.2% year-on-year) and deposits (+9.6% year-on-year). Given the further diminution of the gross interest margin (3.8% compared to 4.2% in the third quarter 2003), the contribution to the Group's net banking income edged up only 2.4% at constant scope and exchange rates. As the cost of risk was down, due to very small volume of doubtful loans, pre-tax income soared 9.4% at constant scope and exchange rates. Given the fall in the dollar, this rise was 2.6% at current exchange rates.

[1]) Including subsidiaries and 100% of Private Banking in France.

For the entire core business, the quarterly net banking income came to 1,274 million euros (+2.5%) and gross operating income was 577 million euros (+2.9%).

The cost of risk was down sharply (-22%) at 110 million euros, in particular due to the core business' substantial write-backs of general reserves associated with portfolios of loans running off. Operating income, at 467 million euros, grew 11.2% compared to the third quarter 2003 and pre-tax income (436 million euros) rose 20.4%.

In the first nine months of the year, the IRFS business line's cost/income ratio improved 0.6 percentage points at 55.6%. The core business' pre-tax allocated return on equity rose 3 percentage points to 32%.

Asset Management and Services (AMS).

Despite the uncertain situation in the equity markets, AMS achieved results that were substantially better compared to the third quarter 2003: net banking income rose 11.3% to 701 million euros (+4.8% at constant scope and exchange rates). Revenues from **Wealth & Asset Management** were in line with the core business as a whole: +14.7% (+2.3% at constant scope and exchange rates). The revenues from the **Insurance businesses** were up sharply (+16.5%). **Securities Services** were affected by the limited volume of stock market transactions and their revenues were down 2.0%.

The core business' operating expenses and depreciation were contained (+7.2%, or +2.9% at constant scope and exchange rates) and gross operating income rose 19.2% to 255 million euros (+8.2% at constant scope and exchange rates).

Pre-tax income rose 16.6% compared to the third quarter 2003, totaling 239 million euros (+6.5% at constant scope and exchange rates).

During this quarter, the core business actively pursued its business development: it gathered 3.5 billion euros in net fund inflows; Cortal Consors launched Euroweb, a European financial news and information portal; the Group acquired two private banks in Monaco ([2]), secured the first approval given to a foreign bank to provide third party asset management services in South Korea and took over 100% of Atis Real International in 2004.

In the first nine months of the year, the AMS core business' cost/income ratio improved 5.6 percentage points at 62.9%. The business' return on equity rose 7 percentage points to 30%.

Corporate and Investment Banking (CIB).

In a lacklustre market environment, Corporate and Investment Banking maintained its gross operating income and sharply grew its pre-tax income.

The revenues from **Advisory and Capital Markets business lines** were down 14.1% compared to the third quarter 2003, essentially due to the effect of a decline in the fixed income business; equity derivative business held up well and advisory's M&A businesses grew their fees. The value at risk (VaR) fell back to historically low levels.

Like in the first half of the year, the **Financing business lines** posted sharply higher revenues: +12.9% compared to the third quarter 2003. All the business segments contributed to this superior performance.

On the whole, the core business' net banking income fell 4.5% compared to the third quarter 2003, to 1,327 million euros, but the drop in operating expenses and depreciation outpaced this fall (-6.5% at 757 million euros), such that the gross operating income declined by only 1.6% to 570 million euros (+0.3% at constant scope and exchange rates).

[2]) Subject to regulatory approval.

With respect to credit risks, the modest amount of new specific provisions required this quarter was offset by write-backs of the general provisions, while recoveries have occurred on certain older bad loans. The net balance is 27 million euros positive (-168 million euros in the third quarter 2003).

The Corporate and Investment Banking core business' pre-tax income was up sharply compared to the third quarter 2003, at 607 million euros (+21.6%).

In the first nine months of the year, the core business' cost/income ratio improved 2.3 percentage points to 56.3%, confirming BNP Paribas' resilient competitiveness in these businesses. CIB's pre-tax allocated return on equity was 35% (+7 percentage points).

The Group's competitive positions in these business lines were confirmed by its recent nomination as the Best Institution for Oil Finance by Trade & Forfaiting Review and by rankings published at the end of September ([3]): BNP Paribas was ranked the second global corporate eurobond issue arranger, Europe's third syndicated credit arranger and the fifth global project financing arranger. In M&A, the Group's position improved substantially: BNP Paribas ranks as Europe's fifth advisory bank (and number one in France) for the amount of transactions completed.

BNP Paribas Capital.

Continuing the disposal of directly held equity investments, BNP Paribas Capital posted 144 million euros in capital gains during the quarter (as compared to 137 million in the third quarter 2003).

The amount of unrealised capital gains as at 30 September 2004 however remained virtually unchanged compared to 30 June, namely 1.1 billion euros.

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During the quarter, the Group bought back a total of 347 million euros in its shares, thereby completing the share buyback programme initiated in July 2003 and neutralising shares issued to employees.

The international capital adequacy ratio – taking into account the acquisitions effectively completed to date, principally Community First Bankshares and Union Safe Deposit Bank in the United States – was 10.8% and the Tier 1 was 8.0%

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Commenting on these results at the Board of Directors meeting, Baudouin Prot, CEO said: "Since the beginning of the year and again this quarter, the Group has had excellent performances thanks to its sales and marketing drive combined with efficient cost controls.

It must however be noted that the environment in which these performances occurred started to deteriorate during the third quarter due to the sharp rise in oil prices, the slowdown in economic growth in Europe and lacklustre financial markets. The Group is well positioned in its various areas of business and all of its teams are fully committed."

[3]) Sources : IFR – Thomson Financial.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

In millions of euros	3Q04	3Q03	3Q04 / 3Q03	2Q04	3Q04 / 2Q04	9M04	9M03	9M04 / 9M03
Net Banking Income (1)	**4,531**	**4,380**	**+3.4%**	**4,743**	**-4.5%**	**13,905**	**13,544**	**+2.7%**
Operating Expenses and Dep.	-2,826	-2,787	+1.4%	-2,840	-0.5%	-8,476	-8,520	-0.5%
Gross Operating Income	**1,705**	**1,593**	**+7.0%**	**1,903**	**-10.4%**	**5,429**	**5,024**	**+8.1%**
Provisions	-116	-350	-66.9%	-215	-46.0%	-576	-1,007	-42.8%
Operating Income	**1,589**	**1,243**	**+27.8%**	**1,688**	**-5.9%**	**4,853**	**4,017**	**+20.8%**
Associated Companies	48	23	n.s.	63	-23.8%	152	62	x2,5
Gains and Provisions on Investments	173	423 *	-59.1%	207	-16.4%	777	767	+1.3%
Amortisation of Goodwill	-98	-99	-1.0%	-97	+1.0%	-279	-299	-6.7%
Extraordinary Items	-33	-172	-80.8%	11	n.s.	-65	-226	-71.2%
Non Operating Items	**90**	**175**	**n.s.**	**184**	**-51.1%**	**585**	**304**	**+92.4%**
Pre-Tax Income	**1,679**	**1,418**	**+18.4%**	**1,872**	**-10.3%**	**5,438**	**4,321**	**+25.9%**
Tax Expense	-482	-330 **	+46.1%	-437	+10.3%	-1,426	-1,228	+16.1%
Minority Interests	-96	-118	-18.6%	-83	+15.7%	-296	-259	+14.3%
Net Income, Group Share	**1,101**	**970**	**+13.5%**	**1,352**	**-18.6%**	**3,716**	**2,834**	**+31.1%**
Cost / Income	**62.4%**	**63.6%**	**-1.2 pt**	**59.9%**	**+2.5 pt**	**61.0%**	**62.9%**	**-1.9 pt**
Annualised ROE after Tax						17.7%	14.1%	+3.6 pt
(1) Including Commission income	1,853	1,739	+6.6%	1,730	+7.1%	5,293	4,849	+9.2%

(Fees, revenues from the insurance business, other net banking operating income and miscellaneous net income)

* One-off capital gains in 3Q03 stemming from the disposal of a corporate bond portfolio

** Low 3Q03 reference due to extraordinary items of which a write-back of a non- taxable Reserve for General Banking Risks

Scope and exchange rate effect is not significant with respect to group's results

3RD QUARTER 2004 CORE BUSINESS RESULTS

In millions of euros	Retail Banking	AMS	CIB	BNP Paribas Capital	Other Activities	Group
Net Banking Income	**2,518**	**701**	**1,327**	**-2**	**-13**	**4,531**
Change/3Q03	+3.2%	+11.3%	-4.5%	n.s.	n.s.	+3.4%
Var/2Q04	+0.6%	-4.0%	-8.7%	n.s.	n.s.	-4.5%
Operating Expenses and Dep.	-1,552	-446	-757	-8	-63	-2,826
Change/3Q03	+2.8%	+7.2%	-6.5%	-20.0%	n.s.	+1.4%
Var/2Q04	+0.5%	+0.0%	-8.4%	+33.3%	n.s.	-0.5%
Gross Operating Income	**966**	**255**	**570**	**-10**	**-76**	**1,705**
Change/3Q03	+3.9%	+19.2%	-1.6%	-37.5%	n.s.	+7.0%
Var/2Q04	+0.7%	-10.2%	-9.1%	n.s.	n.s.	-10.4%
Provisions	-160	3	27	0	14	-116
Change/3Q03	-15.3%	n.s.	n.s.	n.s.	n.s.	-66.9%
Var/2Q04	-15.3%	n.s.	n.s.	+0.0%	n.s.	-46.0%
Operating Income	**806**	**258**	**597**	**-10**	**-62**	**1,589**
Change/3Q03	+8.8%	+21.7%	+45.3%	-37.5%	n.s.	+27.8%
Var/2Q04	+4.7%	-9.2%	-3.7%	n.s.	n.s.	-5.9%
Associated Companies	32	3	-4	0	17	48
Capital Gains	7	1	0	144	21	173
Amortisation of Goodwill	-67	-19	-7	-1	-4	-98
Other Items	1	-4	21	0	-51	-33
Pre-Tax Income	**779**	**239**	**607**	**133**	**-79**	**1,679**
Change/3Q03	+13.9%	+16.6%	+21.6%	+11.8%	-11.2%	+18.4%
Var/2Q04	+6.4%	-10.2%	-8.6%	-35.1%	n.s.	-10.3%

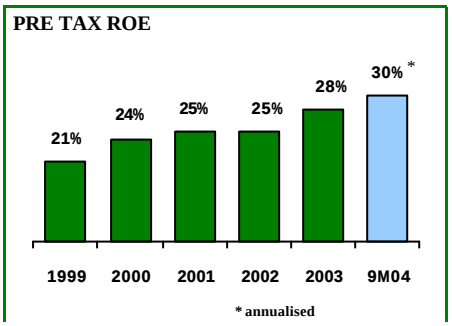
In millions of euros	Retail Banking	AMS	CIB	BNP Paribas Capital	Other Activities	Group
Net Banking Income	**2,518**	**701**	**1,327**	**-2**	**-13**	**4,531**
3Q03	2,439	630	1,389	-6	-72	4,380
2Q04	2,503	730	1,453	19	38	4,743
Operating Expenses and Dep.	-1,552	-446	-757	-8	-63	-2,826
3Q03	-1,509	-416	-810	-10	-42	-2,787
2Q04	-1,544	-446	-826	-6	-18	-2,840
Gross Operating Income	**966**	**255**	**570**	**-10**	**-76**	**1,705**
3Q03	930	214	579	-16	-114	1,593
2Q04	959	284	627	13	20	1,903
Provisions	-160	3	27	0	14	-116
3Q03	-189	-2	-168	0	9	-350
2Q04	-189	0	-7	0	-19	-215
Operating Income	**806**	**258**	**597**	**-10**	**-62**	**1,589**
3Q03	741	212	411	-16	-105	1,243
2Q04	770	284	620	13	1	1,688
Associated Companies	32	3	-4	0	17	48
3Q03	19	6	0	0	-2	23
2Q04	35	2	-3	3	26	63
Capital Gains	7	1	0	144	21	173
3Q03	4	11	85	137	186	423
2Q04	-3	-2	2	191	19	207
Amortisation of Goodwill	-67	-19	-7	-1	-4	-98
3Q03	-73	-17	-5	-2	-2	-99
2Q04	-70	-17	-7	-2	-1	-97
Other Items	1	-4	21	0	-51	-33
3Q03	-7	-7	8	0	-166	-172
2Q04	0	-1	52	0	-40	11
Pre-Tax Income	**779**	**239**	**607**	**133**	**-79**	**1,679**
3Q03	684	205	499	119	-89	1,418
2Q04	732	266	664	205	5	1,872
Minority Interests	**-18**	**0**	**0**	**0**	**-78**	**-96**
Tax Expense						-482
Net Income, Group Share						**1,101**

9 MONTHS - 2004 CORE BUSINESS RESULTS

In millions of euros	Retail Banking	AMS	CIB	BNP Paribas Capital	Other Activities	Group
Net Banking Income	**7,441**	**2,119**	**4,275**	**-6**	**76**	**13,905**
9M03	7,189	1,827	4,492	-7	43	13,544
Change/9M03	+3.5%	+16.0%	-4.8%	-14.3%	+76.7%	+2.7%
Operating Expenses and Dep.	-4,601	-1,332	-2,408	-23	-112	-8,476
9M03	-4,490	-1,251	-2,633	-29	-117	-8,520
Change/9M03	+2.5%	+6.5%	-8.5%	-20.7%	-4.3%	-0.5%
Gross Operating Income	**2,840**	**787**	**1,867**	**-29**	**-36**	**5,429**
9M03	2,699	576	1,859	-36	-74	5,024
Change/9M03	+5.2%	+36.6%	+0.4%	-19.4%	-51.4%	+8.1%
Provisions	-528	-3	-37	2	-10	-576
9M03	-550	-5	-484	0	32	-1,007
Change/9M03	-4.0%	n.s.	-92.4%	n.s.	n.s.	-42.8%
Operating Income	**2,312**	**784**	**1,830**	**-27**	**-46**	**4,853**
9M03	2,149	571	1,375	-36	-42	4,017
Change/9M03	+7.6%	+37.3%	+33.1%	-25.0%	+9.5%	+20.8%
Associated Companies	92	5	-4	3	56	152
Capital Gains	-1	-2	-3	674	109	777
Amortisation of Goodwill	-198	-52	-16	-5	-8	-279
Other Items	3	-6	78	1	-141	-65
Pre-Tax Income	**2,208**	**729**	**1,885**	**646**	**-30**	**5,438**
9M03	1,973	520	1,457	491	-120	4,321
Change/9M03	+11.9%	+40.2%	+29.4%	+31.6%	-75.0%	+25.9%
Minority Interests	-47	0	-1	0	-248	-296
9M03	-40	0	-5	-2	-212	-259
Tax Expense						-1,426
Net Income, Group Share						**3,716**
ROE after Tax						17.7%

RETAIL BANKING

In millions of euros	3Q04	3Q03	3Q04 / 3Q03	2Q04	3Q04 / 2Q04	9M04	9M03	9M04 / 9M03
Net Banking Income	**2,518**	**2,439**	**+3.2%**	**2,503**	**+0.6%**	**7,441**	**7,189**	**+3.5%**
Operating Expenses and Dep.	-1,552	-1,509	+2.8%	-1,544	+0.5%	-4,601	-4,490	+2.5%
Gross Operating Income	**966**	**930**	**+3.9%**	**959**	**+0.7%**	**2,840**	**2,699**	**+5.2%**
Provisions	-160	-189	-15.3%	-189	-15.3%	-528	-550	-4.0%
Operating Income	**806**	**741**	**+8.8%**	**770**	**+4.7%**	**2,312**	**2,149**	**+7.6%**
Amortisation of Goodwill	-67	-73	-8.2%	-70	-4.3%	-198	-221	-10.4%
Other Non Operating Items	40	16	x2.5	32	+25.0%	94	45	x2.1
Pre-Tax Income	**779**	**684**	**+13.9%**	**732**	**+6.4%**	**2,208**	**1,973**	**+11.9%**
Cost / Income	61.6%	61.9%	-0.3 pt	61.7%	-0.1 pt	61.8%	62.5%	-0.7 pt
Allocated Equity (Ebn)						9.7	9.3	+4.8%
Pre-Tax ROE						30%	28%	+2 pt



Fresh rise in pre-tax ROE

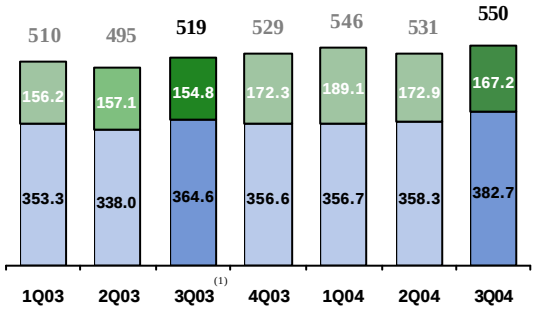
FRENCH RETAIL BANKING*

In millions of euros	3Q04	3Q03	3Q04 / 3Q03	2Q04	3Q04 / 2Q04	9M04	9M03	9M04 / 9M03
Net Banking Income	**1,284**	**1,235**	**+4.0%**	**1,262**	**+1.7%**	**3,804**	**3,647**	**+4.3%**
Incl. Commissions	*550*	*519*	*+6.0%*	*531*	*+3.6%*	*1,627*	*1,524*	*+6.8%*
Incl. Interest Margin	*734*	*716*	*+2.5%*	*731*	*+0.4%*	*2,177*	*2,123*	*+2.5%*
Operating Expenses and Dep.	-877	-849	+3.3%	-853	+2.8%	-2,579	-2,504	+3.0%
Gross Operating Income	**407**	**386**	**+5.4%**	**409**	**-0.5%**	**1,225**	**1,143**	**+7.2%**
Provisions	-50	-48	+4.2%	-57	-12.3%	-162	-157	+3.2%
Operating Income	**357**	**338**	**+5.6%**	**352**	**+1.4%**	**1,063**	**986**	**+7.8%**
Non Operating Items	4	1	n.s.	-1	n.s.	3	-4	n.s.
Pre-Tax Income	**361**	**339**	**+6.5%**	**351**	**+2.8%**	**1,066**	**982**	**+8.6%**
Income Attributable to AMS	-18	-17	+5.9%	-18	+0.0%	-56	-44	+27.3%
Pre-Tax Income of French Retail Bkg	**343**	**322**	**+6.5%**	**333**	**+3.0%**	**1,010**	**938**	**+7.7%**
Cost / Income	68.3%	68.7%	-0.4 pt	67.6%	+0.7 pt	67.8%	68.7%	-0.9 pt
Allocated Equity (Ebn)						4.7	4.4	+5.1%
Pre-Tax ROE						29%	28%	+1 pt

* Including 100% of French private banking for NBI to Pre-tax Income lines.

- 4.0% growth in NBI as compared to 3Q03
  - Growth in outstanding loans (+10.4%) and deposits (+6.4%)
  - Gross interest margin down: 3.66%* (3.71%* in 3Q03)
    ** one year sliding average*
  - Fees on investment funds and transactions up 8.0% / 3Q03
- 6.5% Growth in Pre-Tax Income / 3Q03

FEES - 3Q04 (in millions of euros)



100% of the French private banking
(1) Fees from financial operations and other banking transactions reclassified.

% CHANGE 3Q04 / 3Q03

Fees: +6.0%

Fees on investment funds and transactions: +8.0%

Other banking transactions: +5.0%

LOANS, DEPOSITS AND FUNDS UNDER MANAGEMENT

In billions of euros	Outstandings 3Q04	% change 1 year 3Q04/3Q03	% change 1 Quarter 3Q04/2Q04	Outstandings 9M04	% change 1 year 9M04/9M03
LENDINGS (1)					
Total Loans	**78.1**	**+10.4%**	**+4.3%**	**75.2**	**+5.6%**
Individual Customers	38.5	+18.2%	+5.7%	36.6	+16.2%
Incl. Mortgages	31.9	+21.5%	+6.4%	30.2	+19.2%
Incl. Consumer Lending	6.5	+4.5%	+2.3%	6.4	+4.1%
Corporates	36.5	+4.5%	+3.4%	35.3	-2.8%
DEPOSITS and SAVINGS (1)	**74.2**	**+6.4%**	**+0.8%**	**73.3**	**+6.9%**
Cheque and Current Accounts	30.6	+4.6%	+1.3%	30.1	+6.4%
Savings Accounts	36.0	+8.1%	+0.7%	35.6	+10.7%
Market Rate Deposits	7.6	+6.4%	-1.1%	7.6	-6.7%
FUNDS UNDER MANAGEMENT (2)					
Life Insurance	39.1	+12.7%	+2.2%	39.1	+12.7%
Mutual Funds (3)	58.5	+2.7%	-1.1%	58.5	+2.7%

(1) Average cash Outstandings (2) Outstandings at the end of the period

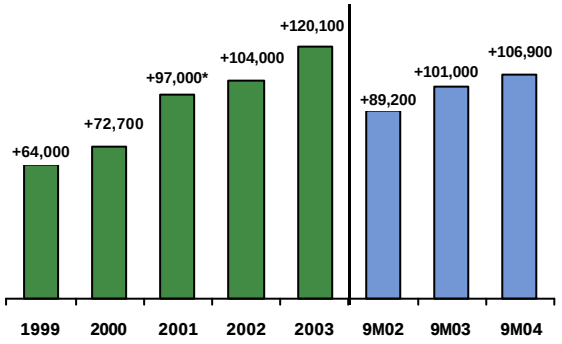
(3) These statistics do not include mutual funds assets located in Luxembourg (PARVEST)

THIRD QUARTER 2004: BUSINESS ACTIVITY

Individual Customers

- Life Insurance: substantial asset gathering +46% / 3Q03
  - Financial Savings Plans: 285,000 plans opened since the beginning of the year (including 70,000 PERP savings plans)
- Lending: sustained growth in outstandings (+18.2% / 3Q03)
  - mortgages: +21.5% / 3Q03
  - consumer lending: + 4.5% / 3Q03

INCREASED THE NUMBER OF INDIVIDUAL CHEQUE AND DEPOSIT ACCOUNTS

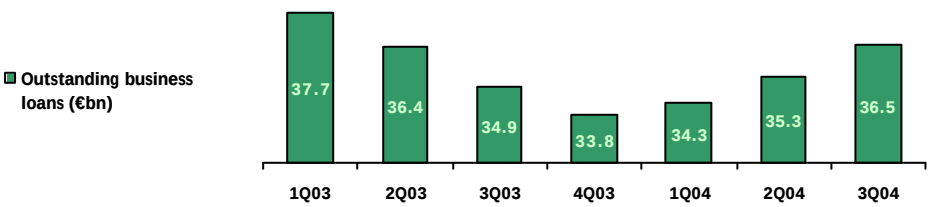


Continued to expand the customer base

***** Added to which 30,000 accounts were transferred from the Treasury

Corporate Segment

Confirmed rebound in outstanding loans (+4.5% / 3Q03)



INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

In millions of euros	3Q04	3Q03	3Q04 / 3Q03	2Q04	3Q04 / 2Q04	9M04	9M03	9M04 / 9M03
Net Banking Income	**1,274**	**1,243**	**+2.5%**	**1,282**	**-0.6%**	**3,760**	**3,652**	**+3.0%**
Operating Expenses and Dep.	-697	-682	+2.2%	-714	-2.4%	-2,089	-2,052	+1.8%
Gross Operating Income	**577**	**561**	**+2.9%**	**568**	**+1.6%**	**1,671**	**1,600**	**+4.4%**
Provisions	-110	-141	-22.0%	-132	-16.7%	-366	-393	-6.9%
Operating Income	**467**	**420**	**+11.2%**	**436**	**+7.1%**	**1,305**	**1,207**	**+8.1%**
Amortisation of Goodwill	-67	-73	-8.2%	-70	-4.3%	-198	-221	-10.4%
Other Non Operating Items	36	15	x2.4	33	+9.1%	91	49	+85.7%
Pre-Tax Income	**436**	**362**	**+20.4%**	**399**	**+9.3%**	**1,198**	**1,035**	**+15.7%**
Cost / Income	54.7%	54.9%	-0.2 pt	55.7%	-1.0 pt	55.6%	56.2%	-0.6 pt
Allocated Equity (Ebn)						5.0	4.8	+4.5%
Pre-Tax ROE						32%	29%	+3 pt

At constant scope and exchange rates	3Q04 / 3Q03	9M04 / 9M03
Net Banking Income	**+2.8%**	**+3.9%**
Operating Expenses and Dep.	+2.0%	+2.1%
Gross Operating Income	**+3.8%**	**+6.3%**
Provisions	-32.6%	-13.9%
Operating Income	**+16.2%**	**+13.0%**
Pre-Tax Income	**+28.4%**	**+20.4%**

BANCWEST

BancWest and its subsidiaries' contribution to the IRFS core business' results

In millions of euros	3Q04	3Q03	3Q04 / 3Q03	2Q04	3Q04 / 2Q04	9M04	9M03	9M04 / 9M03
Net Banking Income	**388**	**408**	**-4.9%**	**385**	**+0.8%**	**1,144**	**1,212**	**-5.6%**
Operating Expenses and Dep.	-183	-191	-4.2%	-184	-0.5%	-542	-588	-7.8%
Gross Operating Income	**205**	**217**	**-5.5%**	**201**	**+2.0%**	**602**	**624**	**-3.5%**
Provisions	-9	-22	-59.1%	-10	-10.0%	-34	-63	-46.0%
Operating Income	**196**	**195**	**+0.5%**	**191**	**+2.6%**	**568**	**561**	**+1.2%**
Amortisation of Goodwill	-33	-36	-8.3%	-34	-2.9%	-100	-113	-11.5%
Other Non Operating Items	-5	-5	+0.0%	-1	n.s.	-6	-6	+0.0%
Pre-Tax Income	**158**	**154**	**+2.6%**	**156**	**+1.3%**	**462**	**442**	**+4.5%**
Cost / Income	47.2%	46.8%	+0.4 pt	47.8%	-0.6 pt	47.4%	48.5%	-1.1 pt
Allocated Equity (Ebn)						1.5	1.6	-3.0%
Pre-Tax ROE						40%	38%	+3 pt

At constant scope and exchange rates	3Q04 / 3Q03	9M04 / 9M03
Net Banking Income	**+2.4%**	**+2.7%**
Operating Expenses and Dep.	+3.6%	+0.8%
Gross Operating Income	**+1.4%**	**+4.4%**
Provisions	-56.2%	-41.3%
Operating Income	**+7.6%**	**+9.4%**
Pre-Tax Income	**+9.4%**	**+12.5%**

- Pre-tax income up 9.4% at constant exchange rates
- NBI: sharp rise in outstandings (loans +10.2%, deposits +9.6% / 30/09/03) but margin eroded to 3.83% compared to 3.88% in 2Q04 and 4.24% in 3Q03
- Very low level of bad loans: NPLs/Loans 0.44% compared to 0.52% as at 30/06/04
- No scope effect this quarter
  - Acquisitions of Community First and of Union Safe Deposit completed on 31 October 2004

CETELEM

Cetelem and its subsidiaries' contribution to the IRFS core business' results

In millions of euros	3Q04	3Q03	3Q04 / 3Q03	2Q04	3Q04 / 2Q04	9M04	9M03	9M04 / 9M03
Net Banking Income	**429**	**401**	**+7.0%**	**428**	**+0.2%**	**1,260**	**1,156**	**+9.0%**
Operating Expenses and Dep.	-220	-203	+8.4%	-223	-1.3%	-657	-594	+10.6%
Gross Operating Income	**209**	**198**	**+5.6%**	**205**	**+2.0%**	**603**	**562**	**+7.3%**
Provisions	-100	-98	+2.0%	-106	-5.7%	-302	-269	+12.3%
Operating Income	**109**	**100**	**+9.0%**	**99**	**+10.1%**	**301**	**293**	**+2.7%**
Amortisation of Goodwill	-12	-13	-7.7%	-11	+9.1%	-34	-39	-12.8%
Other Non Operating Items	41	24	+70.8%	32	+28.1%	97	57	+70.2%
Pre-Tax Income	**138**	**111**	**+24.3%**	**120**	**+15.0%**	**364**	**311**	**+17.0%**
Cost / Income	51.3%	50.6%	+0.7 pt	52.1%	-0.8 pt	52.1%	51.4%	+0.7 pt
Allocated Equity (Ebn)						1.5	1.4	+8.5%
Pre-Tax ROE						32%	30%	+2 pt

At constant scope and exchange rates	3Q04 / 3Q03	9M04 / 9M03
Net Banking Income	**+2.5%**	**+4.9%**
Operating Expenses and Dep.	+2.2%	+4.3%
Gross Operating Income	**+2.9%**	**+5.6%**
Provisions	-13.6%	+0.2%
Operating Income	**+18.5%**	**+10.5%**
Pre-Tax Income	**+31.9%**	**+20.2%**

- 24.3% rise in pre-tax income
- France:
  - 7.3% growth in outstandings (+0.5% excluding the FRB partnership) / 30/09/03
  - Declining margins
- Outside France: sharp rise in outstandings and profitability
- Combined ratio* improved: 74.6% in 3Q04 compared to 75.1% in 3Q03

**(Operating expenses and depreciation + Provisions)/NBI*

OTHER HIGHLIGTS

- **BNP Paribas Lease Group**

  Sustained growth in outstandings outside France (+15.2% / 30/09/03); France is stable

- **UCB**

  Acquisition* under way of Abbey National France's residential mortgage business

  ** Subject to regulatory approval*

- **Arval**

  Continued expansion across Continental Europe
  - 16% growth in the fleet / 30/09/03
  - opened a subsidiary in Slovakia

- **Emerging and Overseas Markets**

  Secured business licenses in Kuwait and Saudi Arabia (openings scheduled for early 2005)

FINANCIAL SERVICES – MANAGED OUTSTANDINGS

In billions of euros	Sep-04	Sep-03	% change 1 year /Sep-03
Cetelem	**31.5**	**28.3**	**+11.3%**
France (1)	19.2	17.9	+7.3%
Outside France	12.3	10.4	+18.2%
BNP Paribas Lease Group MT	**16.1**	**15.6**	**+3.1%**
France	12.4	12.4	0.0%
Europe (outside France)	3.8	3.3	+15.2%
UCB Individuals	**18.0**	**15.3**	**+17.7%**
France Individuals	9.8	9.1	+8.6%
Europe (outside France)	8.2	6.3	+30.9%
Long Term Leasing with Services	**5.5**	**4.5**	**+23.5%**
France	1.8	1.5	+18.1%
Europe (outside France)	3.8	3.0	+26.2%
Arval			
Total Managed Vehicles (in thousands)	**602**	**602**	**0.0%**
includind financed vehicles	424	376	+12.8%

(1) Including FRB partnership at 30/06/04. At constant scope, outstandings' increase in France : +0.5% / 30/09/03.

ASSET MANAGEMENT AND SERVICES

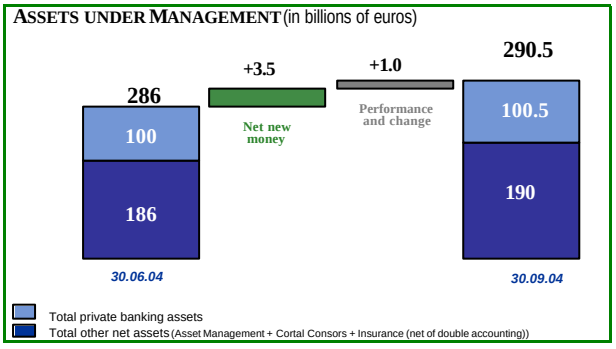
In millions of euros	3Q04	3Q03	3Q04 / 3Q03	2Q04	3Q04 / 2Q04	9M04	9M03	9M04 / 9M03
Net Banking Income	**701**	**630**	**+11.3%**	**730**	**-4.0%**	**2,119**	**1,827**	**+16.0%**
Operating Expenses and Dep.	-446	-416	+7.2%	-446	+0.0%	-1,332	-1,251	+6.5%
Gross Operating Income	**255**	**214**	**+19.2%**	**284**	**-10.2%**	**787**	**576**	**+36.6%**
Provisions	3	-2	n.s.	0	n.s.	-3	-5	n.s.
Operating Income	**258**	**212**	**+21.7%**	**284**	**-9.2%**	**784**	**571**	**+37.3%**
Amortisation of Goodwill	-19	-17	+11.8%	-17	+11.8%	-52	-53	-1.9%
Other Non Operating Items	0	10	n.s.	-1	n.s.	-3	2	n.s.
Pre-Tax Income	**239**	**205**	**+16.6%**	**266**	**-10.2%**	**729**	**520**	**+40.2%**
Cost / Income	63.6%	66.0%	-2.4 pt	61.1%	+2.5 pt	62.9%	68.5%	-5.6 pt
Allocated Equity (Ebn)						3.2	3.0	+8.4%
Pre-Tax ROE						30%	23%	+7 pt

Pre-tax ROE based on allocated equity including, in addition to 6% of risk weighted assets, additional amounts adapted to the nature of each core business.

At constant scope and exchange rates	3Q04 / 3Q03	9M04 / 9M03
Net Banking Income	**+4.8%**	**+9.2%**
Operating Expenses and Dep.	+2.9%	+2.0%
Gross Operating Income	**+8.2%**	**+24.5%**
Provisions	n.s.	n.s.
Operating Income	**+10.3%**	**+25.6%**
Pre-Tax Income	**+6.5%**	**+28.3%**

Scope effect: consolidated the Group's real estate businesses from 1Q04, previously reflected in "other businesses" operations

■ Growth in revenues and income in a lacklustre market environment



Net assets gathered 3Q04 : + €3.5 bn
(+5%* of assets under management)
**Annualised rate*

WEALTH AND ASSET MANAGEMENT

Wealth and Asset Management = Private Banking + Asset Management + Cortal Consors + Real Estate Services

In millions of euros	3Q04	3Q03	3Q04 / 3Q03	2Q04	3Q04 / 2Q04	9M04	9M03	9M04 / 9M03
Net Banking Income	**336**	**293**	**+14.7%**	**356**	**-5.6%**	**1,033**	**838**	**+23.3%**
Operating Expenses and Dep.	-231	-210	+10.0%	-232	-0.4%	-692	-631	+9.7%
Gross Operating Income	**105**	**83**	**+26.5%**	**124**	**-15.3%**	**341**	**207**	**+64.7%**
Provisions	2	-3	n.s.	3	n.s.	0	-6	n.s.
Operating Income	**107**	**80**	**+33.8%**	**127**	**-15.7%**	**341**	**201**	**+69.7%**
Amortisation of Goodwill	-11	-9	+22.2%	-9	+22.2%	-29	-26	+11.5%
Other Non Operating Items	2	8	n.s.	2	+0.0%	4	1	n.s.
Pre-Tax Income	**98**	**79**	**+24.1%**	**120**	**-18.3%**	**316**	**176**	**+79.5%**
Cost / Income	68.8%	71.7%	-2.9 pt	65.2%	+3.6 pt	67.0%	75.3%	-8.3 pt
Allocated Equity (Ebn)						1.0	0.9	+13.4%

At constant scope and exchange rates	3Q04 / 3Q03	9M04 / 9M03
Net Banking Income	**+2.3%**	**+10.1%**
Operating Expenses and Dep.	+1.3%	+0.6%
Gross Operating Income	**+4.6%**	**+36.4%**

Scope effect: consolidated the Group's real estate businesses from 1Q04, previously reflected in "other businesses" operations

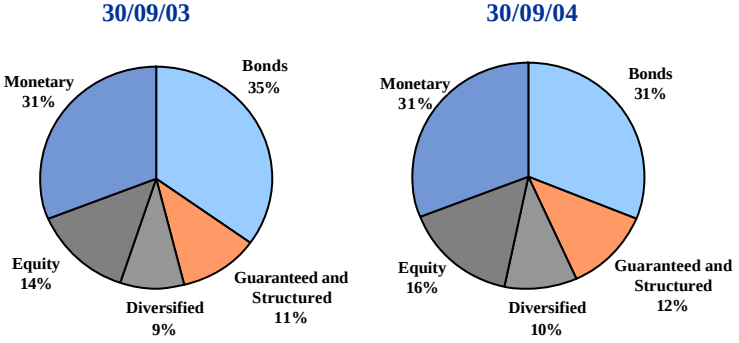
- 2.3% rise in NBI and 4.6% growth in GOI, at constant scope, despite a significant slowdown in stock market related business

- **Cortal Consors**
  54,000 new clients since the beginning of the year, including 13,600 in 3Q04
  Launch of Euroweb, European financial news and information portal

- **Private Banking**
  Acquisition* of two banks in Monaco (€1bn of assets under management)
  ** subject to regulatory approval*

- **Asset Management**
  First foreign company to have received approval to provide third-party asset management services in South Korea

ASSET MANAGEMENT BUSINESS – BREAKDOWN OF AUM



- **Real Estate services**
  Bought out Atis Real International's remaining 50.1% stake in October, bringing the Group's equity holding to 100%

INSURANCE

In millions of euros	3Q04	3Q03	3Q04 / 3Q03	2Q04	3Q04 / 2Q04	9M04	9M03	9M04 / 9M03
Net Banking Income	**219**	**188**	**+16.5%**	**209**	**+4.8%**	**625**	**532**	**+17.5%**
Operating Expenses and Dep.	-98	-88	+11.4%	-93	+5.4%	-285	-261	+9.2%
Gross Operating Income	**121**	**100**	**+21.0%**	**116**	**+4.3%**	**340**	**271**	**+25.5%**
Provisions	1	1	n.s.	-3	n.s.	-3	1	n.s.
Operating Income	**122**	**101**	**+20.8%**	**113**	**+8.0%**	**337**	**272**	**+23.9%**
Non Operating Items	-2	2	n.s.	-5	n.s.	-11	4	n.s.
Pre-Tax Income	**120**	**103**	**+16.5%**	**108**	**+11.1%**	**326**	**276**	**+18.1%**
Cost / Income	44.7%	46.8%	-2.1 pt	44.5%	+0.2 pt	45.6%	49.1%	-3.5 pt
Allocated Equity (Ebn)						2.0	1.8	+10.2%

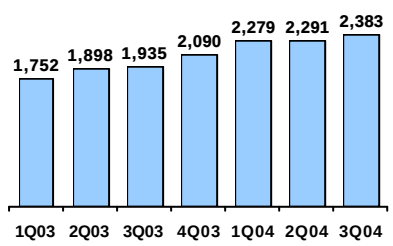
- Good performance of savings and protection business
  - France: assets gathered +26.9% / 3Q03 (compared to +7.2% for the market)
    - share of unit-linked insurance products: 26% in 9M04
  - Outside France: assets gathered +31.7% / 3Q03
- Very sharp rise in NBI and GOI
  - NBI: +16.5 % / 3Q03
  - GOI: +21.0% / 3Q03

SECURITIES SERVICES

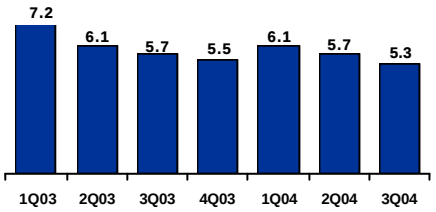
In millions of euros	3Q04	3Q03	3Q04 / 3Q03	2Q04	3Q04 / 2Q04	9M04	9M03	9M04 / 9M03
Net Banking Income	**146**	**149**	**-2.0%**	**165**	**-11.5%**	**461**	**457**	**+0.9%**
Operating Expenses and Dep.	-117	-118	-0.8%	-121	-3.3%	-355	-359	-1.1%
Gross Operating Income	**29**	**31**	**-6.5%**	**44**	**-34.1%**	**106**	**98**	**+8.2%**
Provisions	0	0	+0.0%	0	+0.0%	0	0	+0.0%
Operating Income	**29**	**31**	**-6.5%**	**44**	**-34.1%**	**106**	**98**	**+8.2%**
Amortisation of Goodwill	-5	-5	+0.0%	-5	+0.0%	-14	-18	-22.2%
Other Non Operating Items	-3	-3	+0.0%	-1	n.s.	-5	-12	n.s.
Pre-Tax Income	**21**	**23**	**-8.7%**	**38**	**-44.7%**	**87**	**68**	**+27.9%**
Cost / Income	80.1%	79.2%	+0.9 pt	73.3%	+6.8 pt	77.0%	78.6%	-1.6 pt
Allocated Equity (Ebn)						0.3	0.3	-15.3%

- Growth in assets under custody: +23% / 3Q03
- Limited drop in NBI in a market marked by a small volume of transactions
- BPSS ranked number 1 for quality of service in 8 European countries
  (Germany, Belgium, Spain, France, Greece, Italy, Netherlands, Portugal)
  Source: Global Custodian's Annual Survey of Agent Banks, Fall 2004

ASSETS UNDER CUSTODY (end of the period)
In billions of euros



NUMBER OF TRANSACTIONS*
In millions of transactions



*Number of transactions including the investor services business; 2003 data amended consequently.

Netting in Germany starting in mid-April 2003

CORPORATE AND INVESTMENT BANKING

In millions of euros	3Q04	3Q03	3Q04 / 3Q03	2Q04	3Q04 / 2Q04	9M04	9M03	9M04 / 9M03
Net Banking Income	**1,327**	**1,389**	**-4.5%**	**1,453**	**-8.7%**	**4,275**	**4,492**	**-4.8%**
*Incl. Trading Revenues**	*665*	*769*	*-13.5%*	*828*	*-19.7%*	*2,332*	*2,737*	*-14.8%*
Operating Expenses and Dep.	-757	-810	-6.5%	-826	-8.4%	-2,408	-2,633	-8.5%
Gross Operating Income	**570**	**579**	**-1.6%**	**627**	**-9.1%**	**1,867**	**1,859**	**+0.4%**
Provisions	27	-168	n.s.	-7	+0.0%	-37	-484	-92.4%
Operating Income	**597**	**411**	**+45.3%**	**620**	**-3.7%**	**1,830**	**1,375**	**+33.1%**
Amortisation of Goodwill	-7	-5	+40.0%	-7	n.s.	-16	-14	+14.3%
Other Non Operating Items	17	93	n.s.	51	n.s.	71	96	-26.0%
Pre-Tax Income	**607**	**499**	**+21.6%**	**664**	**-8.6%**	**1,885**	**1,457**	**+29.4%**
Cost / Income	57.0%	58.3%	-1.3 pt	56.8%	+0.2 pt	56.3%	58.6%	-2.3 pt
Allocated Equity (Ebn)						7.2	7.0	+3.7%
Pre-Tax ROE						35%	28%	+7 pt

** Including customer activity and related revenues*

- GOI has held up well in a lacklustre market environment
  6.5% fall in costs while NBI was down 4.5% / 3Q03
- Sharp rise in operating income (+ 45.3% / 3Q03)
  Cost of risk:
  - use of part of the general provisions in the US ($29mn) and in Europe (€29mn) in line with the amount of new specific provisions
  - write-backs for certain older files
- 35% pre-tax ROE and 56.3% cost/income ratio for 9M04

A SOUND BUSINESS – 9M04

- **Bond Issues** ***(bookrunners)***
  - **# 2 world-wide for corporate bonds in euros**
- **Structured Finance**
  - **# 3 in Europe for syndicated credit, *bookrunner***
  - **# 5 world-wide for project finance, *mandated lead arranger***
  - **# 6 world-wide for syndicated credit, *bookrunner***
- **Mergers and Acquisitions** ***(completed deals, by amount)***
  - **# 1 in France**
  - **# 5 in Europe**

Sources : IFR – Thomson Financial

FINANCING BUSINESSES

In millions of euros	3Q04	3Q03	3Q04 / 3Q03	2Q04	3Q04 / 2Q04	9M04	9M03	9M04 / 9M03
Net Banking Income	**562**	**498**	**+12.9%**	**557**	**+0.9%**	**1,701**	**1,484**	**+14.6%**
Operating Expenses and Dep.	-245	-242	+1.2%	-243	+0.8%	-726	-720	+0.8%
Gross Operating Income	**317**	**256**	**+23.8%**	**314**	**+1.0%**	**975**	**764**	**+27.6%**
Provisions	27	-169	n.s.	0	n.s.	-31	-493	-93.7%
Operating Income	**344**	**87**	**x4,0**	**314**	**+9.6%**	**944**	**271**	**x3,5**
Non Operating Items	14	-17	n.s.	34	n.s.	53	-26	n.s.
Pre-Tax Income	**358**	**70**	**x5,1**	**348**	**+2.9%**	**997**	**245**	**x4,1**
Cost / Income	43.6%	48.6%	-5.0 pt	43.6%	+0,0 pt	42.7%	48.5%	-5.8 pt
Allocated Equity (Ebn)						4.5	4.3	+3.6%

- Sharp rise in business and results
  - Revenue earnings up 12.9% / 3Q03: good performance of all the business lines
  - GOI up 23.8% / 3Q03

ADVISORY AND CAPITAL MARKET

In millions of euros	3Q04	3Q03	3Q04 / 3Q03	2Q04	3Q04 / 2Q04	9M04	9M03	9M04 / 9M03
Net Banking Income	**765**	**891**	**-14.1%**	**896**	**-14.6%**	**2,574**	**3,008**	**-14.4%**
Operating Expenses and Dep.	-512	-568	-9.9%	-583	-12.2%	-1,682	-1,913	-12.1%
Gross Operating Income	**253**	**323**	**-21.7%**	**313**	**-19.2%**	**892**	**1,095**	**-18.5%**
Provisions	0	1	n.s.	-7	n.s.	-6	9	n.s.
Operating Income	**253**	**324**	**-21.9%**	**306**	**-17.3%**	**886**	**1,104**	**-19.7%**
Non Operating Items	-4	105	n.s.	10	n.s.	2	108	n.s.
Pre-Tax Income	**249**	**429**	**-42.0%**	**316**	**-21.2%**	**888**	**1,212**	**-26.7%**
Cost / Income	66.9%	63.7%	+3.2 pt	65.1%	+1.8 pt	65.3%	63.6%	+1.7 pt
Allocated Equity (Ebn)						2.7	2.6	+3.9%

- Difficult market environment
  - Equity and Advisory: revenues held up well
  - Fixed Income: fall in customer business and revenues
- Maintained conservative risk policy
  - Average quarterly VaR (Value at Risk, 1 day - 99%) less than €40mn since the beginning of 2004
  - Particularly low level in 3Q04: €26mn in average ; €27 mn as at 30/09/04

VaR (1 day – 99%) by type of risk

In millions of euros	31-Dec-01	29-Mar-02	28-June-02	30-Sept-02	31-Dec-02	31-Mar-03	30-June-03	30-Sept-03	31-Dec-03	31-Mar-04	30-June-04	30-Sep-04
Commodities	1	1	1	1	2	3	3	3	2	2	2	**2**
Change	8	3	4	3	3	2	1	2	3	2	3	**2**
Equities	10	7	26	33	27	21	12	17	13	14	18	**15**
Interest rate	35	58	26	36	24	25	43	23	26	18	24	**16**
Credit									13	14	12	**15**
Netting	-17	-13	-25	-33	-28	-28	-21	-23	-35	-25	-31	**-23**
Total VaR	**37**	**56**	**32**	**40**	**28**	**23**	**38**	**22**	**22**	**25**	**28**	**27**

Last market trading day of the period

Inclusion in 4Q03 of "credit" risk, previously included and netted in the "interest rate" risk

BNP PARIBAS CAPITAL

In millions of euros	3Q04	3Q03	2Q04	9M04	9M03
Net Capital Gains	**144**	**137**	**191**	**674**	**534**
Other Net Income	-3	-8	20	-5	-14
Operating Expenses and Dep.	-8	-10	-6	-23	-29
Pre-Tax Income	**133**	**119**	**205**	**646**	**491**

- Continued disinvestments:
  - Main disposal during the quarter: Keolis
- Portfolio Value:
  - Estimated value: €3.4bn (€3.5 bn as at 30/06/04)
  - Unrealised capital gains: €1.1bn (€1.1bn as at 30/06/04)

BALANCE SHEET ITEMS

In billions of euros	30-Sep-04	30-Jun-04	31-Dec-03
Shareholders Equity, Group Share	28.1	27.5	27.1
Net Unrealised Capital Gains	2.0	2.1	2.1
Total Capital ratio (a)	10.8%	11.4%	12.9%
Tier One ratio (a)	8.0%	8.4%	9.4%
Doubtful Customers	13.0	13.6	14.1
Specific Provisions	8.9	9.2	9.4
Specific Provisions/ Doubtful Customers (1)	68%	68%	67%
Reserve for General Banking Risks	0.8	0.8	0.8
In millions of euros	**3Q04**	**2Q04**	**4Q03**
Value at Risk (1 day 99%) end of period	27	28	22
Average Quarterly Value at Risk (1 day 99%)	26	40	34

(1) The calculation of the Coverage rate takes into account only Specific Provisions, excluding General Provisions, Reserve for Country Risks and Reserve for General Banking Risk

a) Estimates. As at 30/09/04, based on estimated Risk Weighted Assets of E316.7 bn after acquisitions in October of 100% of Atis Real International, Community First Bankshares and Union Safe Deposit Bank

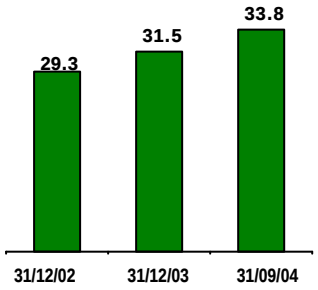
NUMBER OF SHARE

in millions and in euros	9M03	2003	1H04	9M04
Number of Shares (end of period)	903.2	903.2	878.6	884.7
Number of Shares excluding Treasury Shares (end of period)	877.7	858.4	832.5	832.5
Average number of Shares outstanding excluding Treasury Shares	871.9	872.0	847.6	834.4

- Share buybacks completed during the third quarter: €347mn
- Buybacks to be completed as part of the neutralisation of shares issued to employees: roughly €100mn as of 30 September 2004

BOOK VALUE PER SHARE*

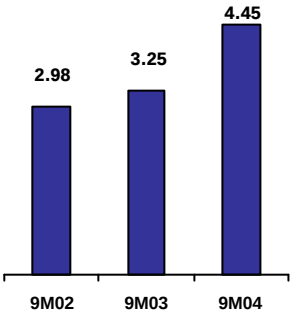
(in euros)



* Book value (not re-evaluated and after dividends) divided by the number of shares outstanding

EARNINGS PER SHARE**

(in euros)



** Net Result Group Share divided by the average number of shares outstanding

RATINGS

S&P	AA	Stable outlook	Rating upgraded to AA on 06/07/04
Moodys	Aa2	Stable outlook	Rating upgraded to AA2 on 19/02/2002
Fitch	AA	Stable outlook	Rating upgraded to AA on 28/11/2001

RESULT HISTORY OF THE CORE BUSINESSES

In millions of euros	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04
RETAIL BANKING							
Net Banking Income	**2,368**	**2,382**	**2,439**	**2,447**	**2,420**	**2,503**	**2,518**
Operating Expenses and Dep.	-1,492	-1,489	-1,509	-1,521	-1,505	-1,544	-1,552
Gross Operating Income	**876**	**893**	**930**	**926**	**915**	**959**	**966**
Provisions	-168	-193	-189	-204	-179	-189	-160
Operating Income	**708**	**700**	**741**	**722**	**736**	**770**	**806**
Non Operating Items	-62	-57	-57	-47	-39	-38	-27
Pre-Tax Income	**646**	**643**	**684**	**675**	**697**	**732**	**779**
FRENCH RETAIL BANKING (including 2/3 of Private Banking in France)							
Net Banking Income	**1,173**	**1,168**	**1,196**	**1,196**	**1,216**	**1,221**	**1,244**
Operating Expenses and Dep.	-806	-805	-827	-828	-827	-830	-855
Gross Operating Income	**367**	**363**	**369**	**368**	**389**	**391**	**389**
Provisions	-52	-57	-48	-68	-55	-57	-50
Operating Income	**315**	**306**	**321**	**300**	**334**	**334**	**339**
Non Operating Items	-3	-2	1	2	0	-1	4
Pre-Tax Income	**312**	**304**	**322**	**302**	**334**	**333**	**343**
INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES							
Net Banking Income	**1,195**	**1,214**	**1,243**	**1,251**	**1,204**	**1,282**	**1,274**
Operating Expenses and Dep.	-686	-684	-682	-693	-678	-714	-697
Gross Operating Income	**509**	**530**	**561**	**558**	**526**	**568**	**577**
Provisions	-116	-136	-141	-136	-124	-132	-110
Operating Income	**393**	**394**	**420**	**422**	**402**	**436**	**467**
Non Operating Items	-59	-55	-58	-49	-39	-37	-31
Pre-Tax Income	**334**	**339**	**362**	**373**	**363**	**399**	**436**
BANCWEST							
Net Banking Income	**409**	**395**	**408**	**380**	**371**	**385**	**388**
Operating Expenses and Dep.	-202	-195	-191	-176	-175	-184	-183
Gross Operating Income	**207**	**200**	**217**	**204**	**196**	**201**	**205**
Provisions	-21	-20	-22	-12	-15	-10	-9
Operating Income	**186**	**180**	**195**	**192**	**181**	**191**	**196**
Non Operating Items	-39	-39	-41	-35	-33	-35	-38
Pre-Tax Income	**147**	**141**	**154**	**157**	**148**	**156**	**158**
CETELEM							
Net Banking Income	**363**	**392**	**401**	**409**	**403**	**428**	**429**
Operating Expenses and Dep.	-191	-200	-203	-217	-214	-223	-220
Gross Operating Income	**172**	**192**	**198**	**192**	**189**	**205**	**209**
Provisions	-82	-89	-98	-92	-96	-106	-100
Operating Income	**90**	**103**	**100**	**100**	**93**	**99**	**109**
Non Operating Items	4	3	11	16	13	21	29
Pre-Tax Income	**94**	**106**	**111**	**116**	**106**	**120**	**138**

In millions of euros	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04
ASSET MANAGEMENT AND SERVICES							
Net Banking Income	**583**	**614**	**630**	**649**	**688**	**730**	**701**
Operating Expenses and Dep.	-419	-416	-416	-422	-440	-446	-446
Gross Operating Income	**164**	**198**	**214**	**227**	**248**	**284**	**255**
Provisions	-3	0	-2	-11	-6	0	3
Operating Income	**161**	**198**	**212**	**216**	**242**	**284**	**258**
Non Operating Items	-23	-21	-7	-13	-18	-18	-19
Pre-Tax Income	**138**	**177**	**205**	**203**	**224**	**266**	**239**
WEALTH AND ASSET MANAGEMENT *							
Net Banking Income	**270**	**275**	**293**	**305**	**341**	**356**	**336**
Operating Expenses and Dep.	-210	-211	-210	-214	-229	-232	-231
Gross Operating Income	**60**	**64**	**83**	**91**	**112**	**124**	**105**
Provisions	-3	0	-3	-6	-5	3	2
Operating Income	**57**	**64**	**80**	**85**	**107**	**127**	**107**
Non Operating Items	-12	-12	-1	-11	-9	-7	-9
Pre-Tax Income	**45**	**52**	**79**	**74**	**98**	**120**	**98**
INSURANCE							
Net Banking Income	**164**	**180**	**188**	**201**	**197**	**209**	**219**
Operating Expenses and Dep.	-87	-86	-88	-91	-94	-93	-98
Gross Operating Income	**77**	**94**	**100**	**110**	**103**	**116**	**121**
Provisions	0	0	1	-5	-1	-3	1
Operating Income	**77**	**94**	**101**	**105**	**102**	**113**	**122**
Non Operating Items	-1	3	2	10	-4	-5	-2
Pre-Tax Income	**76**	**97**	**103**	**115**	**98**	**108**	**120**
SECURITIES SERVICES							
Net Banking Income	**149**	**159**	**149**	**143**	**150**	**165**	**146**
Operating Expenses and Dep.	-122	-119	-118	-117	-117	-121	-117
Gross Operating Income	**27**	**40**	**31**	**26**	**33**	**44**	**29**
Provisions	0	0	0	0	0	0	0
Operating Income	**27**	**40**	**31**	**26**	**33**	**44**	**29**
Non Operating Items	-10	-12	-8	-12	-5	-6	-8
Pre-Tax Income	**17**	**28**	**23**	**14**	**28**	**38**	**21**

* including Real Estate Services since 1Q04

In millions of euros	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04
CORPORATE AND INVESTMENT BANKING							
Net Banking Income	**1,558**	**1,545**	**1,389**	**1,326**	**1,495**	**1,453**	**1,327**
*Incl. Trading Revenues**	*998*	*970*	*769*	*719*	*839*	*828*	*665*
Operating Expenses and Dep.	-898	-925	-810	-751	-825	-826	-757
Gross Operating Income	**660**	**620**	**579**	**575**	**670**	**627**	**570**
Provisions	-174	-142	-168	-149	-57	-7	27
Operating Income	**486**	**478**	**411**	**426**	**613**	**620**	**597**
Non Operating Items	-3	-3	88	-4	1	44	10
Pre-Tax Income	**483**	**475**	**499**	**422**	**614**	**664**	**607**
ADVISORY AND CAPITAL MARKETS							
Net Banking Income	**1,062**	**1,055**	**891**	**827**	**913**	**896**	**765**
Operating Expenses and Dep.	-661	-684	-568	-494	-587	-583	-512
Gross Operating Income	**401**	**371**	**323**	**333**	**326**	**313**	**253**
Provisions	8	0	1	-9	1	-7	0
Operating Income	**409**	**371**	**324**	**324**	**327**	**306**	**253**
Non Operating Items	6	-3	105	-6	-4	10	-4
Pre-Tax Income	**415**	**368**	**429**	**318**	**323**	**316**	**249**
FINANCING BUSINESSES							
Net Banking Income	**496**	**490**	**498**	**499**	**582**	**557**	**562**
Operating Expenses and Dep.	-237	-241	-242	-257	-238	-243	-245
Gross Operating Income	**259**	**249**	**256**	**242**	**344**	**314**	**317**
Provisions	-182	-142	-169	-140	-58	0	27
Operating Income	**77**	**107**	**87**	**102**	**286**	**314**	**344**
Non Operating Items	-9	0	-17	2	5	34	14
Pre-Tax Income	**68**	**107**	**70**	**104**	**291**	**348**	**358**

* Including customer activity and related revenues

In millions of euros	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04
BNP PARIBAS CAPITAL							
Net Banking Income	**-27**	**26**	**-6**	**-27**	**-23**	**19**	**-2**
Operating Expenses and Dep.	-8	-11	-10	-10	-9	-6	-8
Gross Operating Income	**-35**	**15**	**-16**	**-37**	**-32**	**13**	**-10**
Provisions	0	0	0	-3	2	0	0
Operating Income	**-35**	**15**	**-16**	**-40**	**-30**	**13**	**-10**
Non Operating Items	327	65	135	45	338	192	143
Pre-Tax Income	**292**	**80**	**119**	**5**	**308**	**205**	**133**
OTHER ACTIVITIES *							
Net Banking Income	**31**	**84**	**-72**	**-4**	**51**	**38**	**-13**
Operating Expenses and Dep.	-40	-35	-42	-61	-31	-18	-63
Gross Operating Income	**-9**	**49**	**-114**	**-65**	**20**	**20**	**-76**
Provisions	6	17	9	13	-5	-19	14
Operating Income	**-3**	**66**	**-105**	**-52**	**15**	**1**	**-62**
Non Operating Items	-112	18	16	12	29	4	-17
Pre-Tax Income	**-115**	**84**	**-89**	**-40**	**44**	**5**	**-79**
GROUP							
Net Banking Income	**4,513**	**4,651**	**4,380**	**4,391**	**4,631**	**4,743**	**4,531**
Operating Expenses and Dep.	-2,857	-2,876	-2,787	-2,765	-2,810	-2,840	-2,826
Gross Operating Income	**1,656**	**1,775**	**1,593**	**1,626**	**1,821**	**1,903**	**1,705**
Provisions	-339	-318	-350	-354	-245	-215	-116
Operating Income	**1,317**	**1,457**	**1,243**	**1,272**	**1,576**	**1,688**	**1,589**
Non Operating Items	127	2	175	-7	311	184	90
Pre-Tax Income	**1,444**	**1,459**	**1,418**	**1,265**	**1,887**	**1,872**	**1,679**

* Excluding Real Estate Services since 1Q04

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Signatories

Signed on 1st February 2005

on behalf of

BNP Paribas Arbitrage Issuance B.V.
- The Issuer -
as Issuer pursuant to § 8 Austrian Capital Markets Act

By: _____

BNP PARIBAS ARBITRAGE SNC
- The Offeror -

By:

BNP Paribas SA
- The Guarantor -

By: _____